Two Exciting Decades

BROADCASTING TELECASTING

1931 1950

THE WHITE HOUSE
WASHINGTON

October 11, 1950

Dear Mr. Taishoff:

I extend my sincere congratulations as you embark upon your twentieth year of publication of BROADCASTING-TELECASTING Magazine.

The importance of radio -- and now television -- in every phase of our national life has never been more apparent. Five years ago -- on the occasion of radio's twenty-fifth anniversary -- I stated in a letter to you:

> "Radio, with the press, must give inspired leadership and lend its facilities to making more intimate and workable the relationship between the people and Government. For radio itself there are challenging days ahead. New services are in the offing -- services such as television and FM broadcasting, which will open new vistas of opportunity for public service."

Those observations are just as valid today as we resist the enemies of democracy and of liberty.

I have said that a free radio is as indispensable to our democratic institutions as a free press. In sending you my congratulations on two decades of service to the media that constitute "audible journalism," allow me to express the hope that your publication will continue to espouse free, competitive radio institutions in the established American tradition.

Very sincerely yours,

Harry Truman

Mr. Sol Taishoff,
Editor and Publisher,
BROADCASTING-TELECASTING Magazine,
870 National Press Building,
Washington 4, D. C.

this section is devoted to a graphic review of radio and TV since the first issue of this journal, published on Oct. 15, 1931

20TH year

From "BROADCASTING"
April 5, 1932

POPULARITY THAT PAYS!

WLS Again Proves The Experts Wrong!

Saturday night, March 19, Radio Station WLS broadcast its regular Saturday night Barn Dance program from the 8th Street Theatre in Chicago. An admission charge of 50 cents for adults and 25 cents for children was made.

Various experts said it wouldn't pull—or it wouldn't broadcast satisfactorily. And it did both. The theatre was filled to capacity *twice* and over 500 were turned away at the box office because of lack of room. Listeners outside said the air reception to the program was perfect.

It isn't the first time WLS has upset accepted theories. A year ago at the International Livestock amphitheatre over 12,000 people on one night paid 25 cents each to see this same program broadcast in a drive for charity funds. At the Indianapolis State Fair, 7,500 people paid 50 cents each and at Springfield, 3,500—capacity houses in each case.

Then on the air—advertisers told us "afternoon is no good." But *one* five-minute broadcast alone brought requests for 7,650 catalogs on home needlework. A half hour on Sunday afternoon, 10,000 requests for free samples. And on Saturday morning "when the children are all out at play," a single fifteen-minute program brought over 5,000 drawings, all from children of under 15 years.

Such results—duplicated almost daily—are the result of genuine station popularity. WLS knows its audience; knows what they like—and knows how to produce programs of such popularity to listeners that they pay advertisers.

After all, isn't that what advertisers want?

50,000 Watts • 870 Kilocycles *Clear Channel*

The Prairie Farmer St

50,000 Watts • 87
1230 WEST WASHIN , CHICAGO, ILL.
BURRIDGE D. BUTLER, Pres. GLENN SNYDER, Station

ALMOST 20 YEARS AGO WE SAID THIS—TODAY WE SAY SUBSTANTIALLY THE SAME

1. It still does.
2. Modesty forbids comment.
3. There each Saturday night since 1932. Admission now 85c for adults, 50c for children.
4. Still filling the house to capacity—2,400 paying listeners each Saturday night . . . and still a waiting list.
5. This year at the same place, 12,000 people paid from 50c to $1.50 to see the WLS NATIONAL BARN DANCE broadcasting as the opening feature.
6. Now, they said we couldn't pull "opposite Godfrey." So, one-half hour daily we broadcast a WLS staff talent program which has produced 15,000 letters each week from listeners—"opposite Godfrey."
7. Let it stand—it applies more strongly today than ever before.
8. Now 890 Kilocycles.
9. James E. Edwards, President.
10. Still tending store in the same location.

CLEAR CHANNEL Home of the NATIONAL Barn Dance

WLS CHICAGO 7 — The Prairie Farmer Station

890 KILOCYCLES, 50,000 WATTS, ABC NETWORK—REPRESENTED BY JOHN BLAIR & COMPANY

TWO EXCITING DECADES

IN the pages that follow appears a running story of radio during two exciting decades. The story begins with the founding of BROADCASTING.

That first issue of Oct. 15, 1931, is as archaic as the carbon mike of its era. Its masthead was askew, its type of another generation. The paper was of newsprint vintage.

A half-dozen youthful hands produced that issue with trepidation and expectancy. How would it go? Would it flop, as had 95% of new publication ventures in those dark depression years?

Our thesis was that radio, embracing the spheres of entertainment, education and commerce as well as news, was entitled to its own magazine. Radio was a new kind of journalism, destined to have a more intimate, penetrating and influential voice than any other.

We aspired to become the written voice of the spoken medium. Our concern was the success and well-being of radio. Our interest was the sound development of the art, because in that sound development the success of BROADCASTING would seem assured.

The lead editorial of that yellowed first issue concluded:

> To the American system of free, competitive and self-sustaining radio enterprise, this new publication * * * is dedicated.

We are entering our 20th year. Those lines remain our philosophy, our creed and our pledge.

It is a nostalgic adventure to thumb through back issues. A headline, a picture, an editorial, awaken memories. Crisis after crisis thunders across those pages. Humor, whimsy and pathos, too. A tear for a departed pal. High dudgeon over a do-gooder crusade. Radio City is born.

It was truly a young man's game. Verve, fire, politics. ASCAP, allocations, station quotas. TV had a headline in the very first issue. Men from Mars, the Mae West incident, the newspaper war, BMI. Network regulations, the Blue Book, voluntary censorship codes. Petrillo. Those days of Pearl Harbor, when radio filled itself with glory—and then inscribed its own Roll of Honor.

Radio, a romping, almost reckless giant, vaulted from $60 million gross in 1931 to more than $600 million. It moved because it knew no barriers. It gave generously of its time and substance to all worthwhile causes. It won the hearts and the minds of America. It became part and parcel of the living standard.

But threaded through this kaleidoscopic development was an ominous overtone — radio's free charter was threatened every inch of the way. Without it, there could be no truly free America—a concept generally accepted today.

The story of American radio is the story of democracy in action. And the story of BROADCASTING parallels that of radio.

Our staff has grown from 6 to 60; our bureaus from one to five, and our paid circulation from zero to nearly 16,000. We have heralded the advent of every new development of the mass radio media—from AM through international broadcasting, to FM and that ambidextrous young Colossus—Television. Five years ago TELECASTING was added to our masthead.

BROADCASTING has tried to be an alert, accurate, comprehensive reporter. It has never stinted on news. Editorially, it has called its shots as it has seen them, seeking always to keep uppermost the precept of service to all of broadcasting and to the public.

The emergence of BROADCASTING • TELECASTING would not have been possible without the counsel, encouragement and selfless help of many wise men of the broadcasting arts, in and out of public life, over the years. It would have faltered and perhaps failed without the inspiration and sweat and toil of early staff co-workers (many of them still with us), and of those boys and girls who have given so generously of their time and talents, with never a look at the clock, during two action-packed decades.

In the pages that follow you can also read the messages of many of those who wish us well as we round out our 20 years (space limitations precluded publication of all). The generous praise is more than we deserve. To be congratulated are those of you who have created, nurtured and developed these magnificent arts, and thereby made the news that we have chronicled.

Today we are in a national emergency. Whether this is half-war, or in-between wars is a free guess. This world, which radio helped shrink to within instant earshot of anywhere, is alerted for a constant state of emergency.

The duty that devolves upon radio and television is to keep the American people—and a largely dependent democratic half-world—fully and accurately informed and alerted; to keep the arsenals of democracy humming; to maintain morale. In short: Radio and Television by the American Plan.

We of BROADCASTING • TELECASTING, whose duty it is to keep our readers informed and alerted, are mindful of our own responsibilities. We shall never wittingly violate your trust.

On this anniversary, we humbly and gratefully rededicate ourselves to unswerving support of our free American broadcasting institutions.

Sol Taishoff

Editor & Publisher

COLUMBIA BROADCASTING SYSTEM INC
485 MADISON AVENUE, NEW YORK 22, N.Y.

OFFICE OF THE CHAIRMAN OF THE BOARD
WILLIAM S. PALEY

September 28, 1950

Dear Sol,

My heartiest congratulations on the 20th anniversary of the founding of your magazine -- the industry's bible.

As BROADCASTING enters its 21st year, you may well look back with pride at its robust growth. I remember that the entire first issue, then published bi-weekly, had fewer pages than the current weekly Telecasting section alone. Your baby is a grownup. Moreover, while growing, it has kept pace with the most dynamic industry in the country. That's quite an achievement.

Through the years, I have found the news of the broadcasting industry in your newsweekly has invariably had the fullest and fairest presentation. You have done a job that will make your files necessary reading for the historians of broadcasting.

Sincerely,

William S. Paley

Mr. Sol Taishoff
Editor & Publisher
BROADCASTING
Washington, D. C.

AMERICAN ASSOCIATION *of* ADVERTISING AGENCIES
420 LEXINGTON AVENUE
NEW YORK 17

OFFICE OF
THE PRESIDENT

September 24, 1950

Mr. Sol Taishoff
BROADCASTING
National Press Building
Washington 4, D. C.

Dear Sol:

When BROADCASTING started publication in 1931, advertising expenditures in radio were around $60,000,000 per year. Now the total advertising expenditure in radio and television is running some $700,000,000 annually!

The way that BROADCASTING has covered this success story - and the many other remarkable developments in AM, FM and TV, technological, research, governmental and talent - has been a feat and a service.

Thanks and congratulations to you, as you enter your twentieth year.

Very sincerely,

[illegible] Kemble/jt

NATIONAL ASSOCIATION OF BROADCASTERS
1771 N STREET, NORTHWEST
WASHINGTON 6, D. C.

JUSTIN MILLER
PRESIDENT

October 5, 1950

Mr. Sol Taishoff,
Editor and Publisher,
BROADCASTING-TELECASTING,
National Press Building,
Washington 5, D.C.

Dear Sol:

There is more than passing significance in the fact that BROADCASTING-TELECASTING is celebrating its 20th year of service to American broadcasters. Your publication has represented more than an outstanding chronicle of radio's times; it has been a champion of causes, speaking with conviction on issues as it sees them. This function in a freedom-loving nation is a bulwark of American life, and I can only admire the courage you have displayed in exercising it — even though, occasionally, I may have disagreed with you.

My sincere congratulations to you and to your loyal staff. May you continue for many more years in the pattern so wisely set two decades ago: the truth in reporting, integrity in editorializing and militant espousal of American broadcasting as the world's greatest medium of mass communication.

Cordially yours,

Justin Miller

Justin Miller.

WOR
GENERAL TELERADIO, INC
1440 BROADWAY, NEW YORK 18

OFFICE OF THE PRESIDENT

September 12, 1950

Mr. Sol Taishoff
Editor and Publisher
BROADCASTING
National Press Building
Washington, D. C.

Dear Sol:

For all but three years of your existence, I am fortunate enough to be able to testify from personal experience how well and truly Broadcasting has served the industry. You have always completely informed your readers of major problems, sometimes before they developed, and exploited all the various facets of change and invention in this fast-moving communications field. The way you get the news is not uncanny-- it's just Taishoff, and his splendid organization. I feel that broadcasters have been fortunate to have been so well served by a dynamic trade paper observing the highest journalistic standards. Your twenty-year record assures an even more brilliant future.

With all best wishes,

Sincerely yours,

Theodore C. Streibert

XUM

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON 25, D.C.

ADDRESS ALL COMMUNICATIONS TO THE SECRETARY

IN REPLY REFER TO:

October 2, 1950

Mr. Sol Taishoff
Editor & Publisher
BROADCASTING-TELECASTING Magazine
National Press Building
Washington 4, D. C.

Dear Sol:

I have learned that BROADCASTING Magazine begins its twentieth year with the October 16th issue. I want to take this opportunity to congratulate you and your associates upon this occasion and to point out to you that while the past twenty years have been filled with exciting developments you cannot expect to look forward to a succeeding twenty years with any expectation that they will be restful and permit you and your editors any greater relaxation than you have had. I feel quite sure that the developments of the succeeding twenty years will be just as great as they have been in the past twenty years. People engaged in the development of broadcasting and its related enterprises are peculiarly dependent upon accurate and fair reporting and constructive editorial comments. For a long period of time I have greatly admired your magazine for the excellent reporting job it has done. While I have not always agreed with your editorial point of view, I certainly agree that you should have a point of view and that you should continuously press through your editorial columns for the development in the field of broadcasting which you believe to be wise and sound. Frank and honest criticism will always serve a useful and constructive purpose.

The Commission in its Report on the Matter of Editorializing by Broadcast Licensees said, "The needs and interests of the general public with respect to programs devoted to news commentary and opinion can only be satisfied by making available to them for their consideration and acceptance or rejection, varying and conflicting views held by responsible elements of the community." I think this statement by the Commission is just as applicable in a trade journal devoted to the interests of broadcasting as it is to broadcast licensees.

In entering upon your twentieth year BROADCASTING faces the challenge of serving those interested in the media through the time tested formula of fair and accurate reporting and constructive opinions. I wish you and your associates nothing but the highest success. And such success is a great compensation in itself.

Sincerely yours

Wayne Coy

Wayne Coy
Chairman

HERBERT HOOVER

The Waldorf Astoria Towers
New York 22, New York
October 2, 1950

Dear Mr. Taishoff:

Having been, as Secretary of Commerce, the first nurse to radio broadcasting and having witnessed its progress to a mighty entertainment and moral force, it is easy for me to congratulate your magazine for its contributions over all these years. And at the same time to express my appreciation of the service of the magazine from those earliest days.

Yours faithfully,

Herbert Hoover

Mr. Sol Taishoff
Broadcasting Publication
National Press Building
Washington, D. C.

RADIO CORPORATION OF AMERICA
RCA BUILDING
30 ROCKEFELLER PLAZA
NEW YORK 20, N. Y.

DAVID SARNOFF
CHAIRMAN OF THE BOARD

September 15, 1950

Mr. Sol Taishoff
Editor & Publisher
Broadcasting Magazine
National Press Building
Washington 4, D. C.

Dear Sol:

Congratulations to you and the members of your staff on the twentieth anniversary of Broadcasting. You have done a splendid job in reporting the running story of radio's advance.

May the years ahead bring you all new opportunities and glory in the field of television.

With cordial good wishes,

Sincerely,

David Sarnoff

EDWIN C. JOHNSON, COLO., CHAIRMAN
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EDWARD S. JARRETT, CLERK

United States Senate
COMMITTEE ON
INTERSTATE AND FOREIGN COMMERCE

September 15, 1950

Sol Taishoff
Editor & Publisher
Broadcasting
National Press Building
Washington 4, D. C.

Dear Sol:

Those of us who must keep informed on what is cooking in broadcasting and television are mighty thankful that two enterprising newspapermen got their heads together a little more than twenty years ago today and decided that this country needed a trade paper exclusively devoted to an infant industry which seemed to have great possibilities. They were correct with much to spare in their expectation that this frail infant would develop into a huge and healthy giant.

The vision of those men has been fulfilled in every way. The magazine they started has grown with the industry it serves. The nation depends upon it as the bible of this electronic marvel. Those of us who read it cover to cover are kept completely informed of not only what has happened, but what is likely to happen.

I join with the legion of friends of its competent and friendly publisher and editor to wish him and his publication many happy returns of this twentieth anniversary and to express the hope and expectation that he celebrates his diamond jubilee with the same zest and devotion with which he entered this field and achieved a notable success.

Sincerely,

Ed C. Johnson

Chairman

ECJ:Cs

Anniversary Open Mike

EDITOR, BROADCASTING:

. . . An always loyal friend and supporter of the broadcasting industry—the gentleman who edits and publishes BROADCASTING . . .

First, I shall pay my resepects to my hosts—Sol Taishoff and his BROADCASTING, both of whom have rendered such consistently and continuously invaluable service to the broadcasting industry since its very inception that it is difficult to find the words in which to appropriately express our gratitude . . .

Secondly . . . I greet my contemporaries, whose experience in the art and industry of radio hark back to the days of the pioneers.

All of us who through these years have shared the experiences incident to the birth, organization and growth of the art and industry of broadcasting must remember with nostalgia the early days when our destiny and immediate operation depended upon decisions made by the revered Herbert Hoover, then Secretary of Commerce, and the bulk of our legislation had to clear through the Division of Marine and Fisheries . . .

. . . During those days and ever since, BROADCASTING has been a faithful and reliable clearing house of all information pertinent to the operations of the industry.

Nothing more primarily important to the welfare of broadcasting in its promising future occurred in those times, than the organization of NAB.

. . . Throughout all of our difficulties . . . NAB has been the single and most powerful unifying "Rock of Gibraltar" influence in the industry . . .

Earle C. Anthony
President
Earle C. Anthony Inc.
Los Angeles
(Former Pres., NAB)

* * *

EDITOR, BROADCASTING:

The two decade span since BROADCASTING was born marks one of the most exciting periods in contemporary history. I think we should all take our hats off to Sol Taishoff and his able gang for keeping pace so nobly with the rapid - fire developments and changes in radio packed into these twenty years. This period has seen radio develop from a gangling, spluttering, squawking infant into a full grown, globe-girdling giant affecting the daily lives of hundreds of millions of people around the world.

Seymour Berkson
General Manager
International News Service
New York

* * *

EDITOR, BROADCASTING:

In a world which is too full of generalities, it always impresses me when someone carves out a special niche for himself and specializes intelligently in it. The niche which you selected has grown to be practically a canyon and is still full of falling rocks, but you have done a great job of growing and maturing with one of America's most dynamic industries. I compliment you on your alertness and integrity and wish you continued success.

Leo Burnett
Leo Burnett Co.
Chicago
(Vice Chairman, The Advertising Council Inc.)

* * *

EDITOR, BROADCASTING:

You and your associates have been doing a great job. Keep it up for another twenty years.

Walter J. Damm
Vice Pres. & Gen. Mgr.
WTMJ-AM-TV, Milwaukee
(Former Pres., NAB)

* * *

EDITOR, BROADCASTING:

On this twentieth anniversary of BROADCASTING I want to offer my heartiest congratulations to you and your organization on a record of accomplishment in which you can take great pride.

During the past two decades the success of BROADCASTING has paralleled the development of the industry it has served so well. Since 1930, American radio has grown from modest beginnings to become a major force in our society and economy, and now television is adding its contribution as a medium of entertainment and information as one of the world's most powerful selling instruments. Throughout this period, BROADCASTING has taken on larger and larger stature as the medium to which the industry looks for information and interpretations of its own problems and developments.

As radio and television continue their progress, I know that BROADCASTING-TELECASTING will also continue to grow and I wish you every success for the future.

Charles R. Denny
Executive Vice President
NBC
(Former Chairman, FCC)

* * *

EDITOR, BROADCASTING:

I know that I have been in the radio business for what seems to be a thousand years, but little did I realize that BROADCASTING is twenty years of age.

My sincere congratulations on twenty years of very informative and constructive service to the industry.

Joe Eaton
General Manager
WKLO Louisville, Ky.

* * *

EDITOR, BROADCASTING:

Both broadcasting and BROADCASTING have come of age. No static condition there, each has grown in utility and stature for two decades. And each in its sphere has been an informative and constructive force. Nor has either lost the initiative, the imagination, the drive, as new horizons appeared. These qualities, which are basically qualities of youth, are ever so essential as radio encompasses a new era.

To have seen 50 people crowd the little police station at little Ormond Beach, Fla., to see the World Series was proof enough that seeing-eye broadcasting is the dominant force of the new era. It is not too much to expect that both broadcasting and BROADCASTING will continue to reflect the maturity of judgment, essential competence for the big job, and the spirit of youth which meets the hazard only as a challenge.

James Lawrence Fly, Esq.
(Former Chairman, FCC)

* * *

EDITOR, BROADCASTING:

Although broadcasting service began almost thirty years ago, its widespread growth followed the

BRISTOL-MYERS COMPANY
630 FIFTH AVENUE
NEW YORK 20

OFFICE OF THE PRESIDENT

September 15, 1950

Mr. Sol Taishoff
Broadcasting Publications, Inc.
National Press Building
Washington 4, D. C.

Dear Sol:

I have watched with sustained interest the growth of BROADCASTING during the last twenty years. As radio developed you earned a fine reputation for accurate coverage as the weekly news magazine of radio.

As television progress follows the radio pattern, I know many will rely on you for their telecasting news as well as radio news reporting.

Sincerely yours,

LEE H. BRISTOL

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ALLEN B DuMONT LABORATORIES INC
750 Bloomfield Avenue, Clifton, New Jersey

ALLEN B. DuMONT
President

October 10, 1950.

Dear Sol:

Please accept my heartiest congratulations on the twentieth anniversary of the publication of Broadcasting - Telecasting Magazine.

Through its accurate, up-to-the-minute reporting of trade news, Broadcasting - Telecasting renders a tremendous service to the radio and television industry.

Sincerely yours,

Allen B. Du Mont.

launching twenty years ago of BROADCASTING. The comparatively brief life of the industry has in this period of two decades, grown from the battery "cat-whiskered" receiver to color TV . . . Hundreds of thousands of the "cat-whiskered" sets were still in use when BROADCASTING was born. The real growth of radio followed introduction in 1927 of the electronic tube for FM, TV, radar and a thousand other applications. FM alone has not met expectations, largely because the public weighed its higher costs against its higher fidelity, plus lack of distinctive FM entertainment value, as compared with available AM programs. And the same public verdict may well result in color TV.

In any event, it has not been mere happenstance, in my opinion, that the tremendous expansion of radio followed the birth of BROADCASTING. An outstanding trade magazine, such as BROADCASTING as an industry spokesman and champion, is as essential to industry as a trade or industrial association.

BROADCASTING has contributed invaluable service not only to the broadcasting industry, but also to radio manufacturers, the trade and many allied interests.

Bond Geddes
Former Exec. Vice President
RTMA

* * *

EDITOR, BROADCASTING:

In two decades, radio has passed from adolescence to a sure maturity, and BROADCASTING has been the faithful reporter of an industry's coming of age. Not only for its always dependable news columns but for its courageous editorial policy, BROADCASTING has been a mainstay of the industry.

Carl Haverlin
President, BMI

EDITOR, BROADCASTING:

So BROADCASTING is twenty years old! The mere thought poses a paradox. On the one hand it is startling to be faced with the fact that this vigorous, progressive youngster has seen two decades go by. On the other hand it is difficult to remember when BROADCASTING was not serving the radio industry and exercising over it an influence for good.

That twenty year span has been packed solidly with tremendous achievement of the industry and its leaders and BROADCASTING has faithfully recorded these events and interpreted their significance.

I well remember the birth of BROADCASTING only two and a half years after the enactment of the Radio Act of 1927 . . .

Harry Shaw, owner of WMT, then in Waterloo, Iowa, and a couple of guys who had used the same by-line "Robert Mack" in their syndicated newspaper columns, which, incidentally, served me well for my radio pages in the *Chicago Daily News*—these men were the founders of BROADCASTING, whose creation was designed to fill a void of an almost newsless industry. You have built well. You were never an apologist but always an advocate. You were more interested in the good works of broadcasters than in their frailties. By championing the constructive aspects of an industry dedicated to the public interest you have given encouragement at times when it was most needed. You have been a worthy spokesman.

Those fruitful twenty years have seen many technical changes, none of which however have rendered obsolete the receivers of 1930. The millions of sets sold in the interim have been better built and of better design but there is many an ancient receiver still bringing joy to its owner. New services have been added in those twenty years so today we find BROADCASTING is binominous with the addition of TELECASTING to its name in order to embrace the most glamorous of these new services.

As the first twenty years of BROADCASTING come to a close the events which will be the industry news of tomorrow are casting their shadows before them. The new industry—television—is struggling to fulfill its promised bright future and I predict that BROADCASTING—sometimes called TELECASTING—will continue to fight for those principles which have made radio broadcasting the great public servant it is and which if applied to television will preserve its values for the benefit of all.

William S. Hedges
Vice Pres., NBC
(Former Pres., NAB)

* * *

EDITOR, BROADCASTING:

It hardly seems possible that BROADCASTING is 20 years old. I well recall when Martin Codel and Sol (Robert Mack) Taishoff were free lance writers and called in the old offices of the Radio Commission for radio news stories which they ran in a syndicated column from 1928 to 1930. Then came BROADCASTING and since that time everyone connected with radio has depended upon this magazine for authentic and complete news stories.

E. K. Jett
Vice Pres. and Director
WMAR (TV) Baltimore
(Former Member, FCC)

EDITOR, BROADCASTING:

It gives me great pleasure on this 20th anniversary of BROADCASTING to extend the hearty congratulations and good wishes of the United Press.

BROADCASTING has been an alert reporter and faithful sentinel of radio from its formative years in the '20's through maturity to the great art and industry it is today. And like radio, it has spanned some of our most difficult years of depression, social upheaval, war.

Now, when we are entering upon another critical phase, radio and those allied to it must more than ever remain alert to the duty of keeping the public fully and accurately informed. We who are engaged in the collection and dissemination of news, whether in the far-reaching precincts of radio or in the capitals and on the police beats of the world, will do our utmost to live up to that obligation.

Earl J. Johnson
Vice President
United Press Associations

* * *

EDITOR, BROADCASTING:

My best wishes to you and all members of the staff of BROADCASTING on this occasion of your fine magazine's 20th anniversary.

For an infant industry, with many trials and troubles, BROADCASTING has been a valuable leader, providing wise counsel and constructive guidance. Unquestionably, the maturity of the radio broadcasting industry has been materi-

(Continued on page 66)

AMERICAN NEWSPAPER PUBLISHERS ASSOCIATION
370 LEXINGTON AVENUE
AT 41st STREET
TELEPHONE: CALEDONIA 5-8000 NEW YORK 17, N. Y.

September 25, 1950

Mr. Sol Taishoff
Editor and Publisher
Broadcasting Publications, Inc.
National Press Building
Washington 4, D.C.

Dear Mr. Taishoff:

Answering your letter of September 12th:

I am glad to send you the following which you may use in the October 16th issue of BROADCASTING.

"I want to congratulate Broadcasting Magazine on the occasion of its twentieth anniversary.

"It must be gratifying to those who have built this splendid publication to look back on twenty years and view what has been accomplished by your outstanding publication with its fine leadership.

"May you continue successfully in the years ahead."

Sincerely,

President.

Anniversary Open Mike

(Continued from page 65)

ally hastened by good influence of your magazine.

On this 20th anniversary I congratulate the staff for the high standards of service which they have established and now maintain.

Sen. Lyndon B. Johnson
(D-Tex.)

* * *

EDITOR, BROADCASTING:

So, you are twenty years young! Why you are almost as old as the young industry you serve. Anyhow, happy birthday with three rugged slaps on the back:

One—To call the shots as you see them for the good of the industry.

Two—To strive to lead this young industry rather than follow it.

Three—To uphold the Freedom of the Press by never misusing that freedom.

You've served well and we know you'll do even better in the future.

Happy birthday.

Edgar Kobak
Business Consultant
New York
(Former President, MBS)

* * *

EDITOR, BROADCASTING:

I understand the Oct. 16th issue of your magazine will mark 20 years of service to the broadcasting industry. Please accept my congratulations on reaching the 20 year mark in an enterprise for which you have been largely responsible.

Best wishes for the future.

John J. Leitch
Vice Pres. in Charge of Engineering
WCAU Philadelphia

* * *

EDITOR, BROADCASTING:

It is difficult to believe that nearly two decades have passed since you, Sol, Martin Codel, Harry Shaw and I met and laid the foundation for BROADCASTING magazine.

The policies evolved at these early meetings, and which have been followed since, guaranteed the success which your publication has earned. The first of these policies, you will recall, provided that news should be completely and accurately reported as a dependable service to all subscribers who constituted—and still constitute—the expanding art of broadcasting. A second policy provided that the editorial policy of the publication should be dedicated to the orderly development of the American system of broadcasting—a system based upon privately owned and competitively operated stations.

It has always appeared significant to me that discussions at these founding meetings were devoted primarily to perfecting the news service of the publication and relegated such matters as advertising rates and business management to secondary consideration.

All of us then foresaw the need for the service which was being so carefully planned and all of us had unswerving faith in the future development of the broadcasting art.

Adherence to those early policies through two exciting decades has won for BROADCASTING-TELECASTING the respect and confidence of subscribers and advertisers alike. As the art expanded, the publication progressed, and our early faith was vindicated.

Now greater opportunities lie ahead. Building upon the foundations so firmly established, BROADCASTING - TELECASTING will seize these new opportunities and expand its services and continue its leadership—a position achieved through long hours of hard work, sound management, and devotion to the art of broadcasting and television.

To you, Sol, and all of the members of your staff, upon this anniversary date, I extend my hearty congratulations along with my very best wishes for your future sucess.

Philip G. Loucks
Attorney
(Managing Director, NAB 1930-1935)

* * *

EDITOR, BROADCASTING:

In behalf of WHO I would like to congratulate BROADCASTING on its 20th anniversary Oct. 16.

We believe BROADCASTING in all of its 20 years of issue has continually done a most commendable job in the best interests of this outstanding medium of radio.

Best regards to you and staff.

Paul A. Loyet
Vice Pres.
WHO Des Moines

* * *

EDITOR, BROADCASTING:

The Radio Correspondents' Association is happy to join your host of friends in the radio and television industry in congratulating BROADCASTING-TELECASTING on its 20th anniversary.

Although only half as old as your publication the association in that time has learned the power of your editorial columns in its continuing endeavors for the recognition of radio and television newsmen. Without your editorial support the Correspondents' Galleries of the Senate and the House would not now be in existence, and radio and television newsmen would be working under the impossible conditions which existed at the formation of the organization.

William R. McAndrew
Chairman
Radio Correspondents' Galleries
Congress of the United States

* * *

EDITOR, BROADCASTING:

Recently it came to my attention that BROADCASTING is about to start its twentieth year of publication. Certainly sounds like a fairly long time. To me, however, it seems more than twenty years since BROADCASTING made its initial appearance. Perhaps that is because I have read the magazine from cover to cover each week. Also, it is hard to believe that any publication could have done so much good for an industry within a span of twenty years.

My personal contact from time to time with you and your asso-

(Continued on page 169)

NATIONAL BROADCASTING COMPANY, INC.
A SERVICE OF RADIO CORPORATION OF AMERICA
RCA Building, Radio City, New York 20, N.Y.
CIRCLE 7-8300

JOSEPH H. McCONNELL
PRESIDENT

September 20, 1950

Mr. Sol Taishoff
Editor and Publisher
Broadcasting Magazine
National Press Building
Washington 4, D. C.

Dear Sol:

I understand that Broadcasting Magazine begins its twentieth year of publication with the October 16th issue, and I want to salute you and your staff on this landmark in a record of service to the industry.

The history of radio and television has been an exciting one, and Broadcasting Magazine is a part of that history, growing with the industry and helping it to grow. Radio and television will continue to advance on the basis of their service to the public; and as they advance, they will continue to depend on Broadcasting Magazine for splendid coverage of the news of our trade, for guidance on the problems of our business and for interpretations of industry developments.

On this twentieth anniversary of Broadcasting Magazine I send you my warm good wishes for still greater success in the years to come.

Sincerely,

THE SECRETARY OF THE NAVY
WASHINGTON

26 SEP 1950

Dear Mr. Taishoff:

It is a pleasure for me to greet the editors and staff of BROADCASTING on the 20th Anniversary of this publication.

BROADCASTING has done an outstanding job in specialized journalism by reporting for two decades the week-to-week developments in the important communications fields of radio and television.

Sincerely yours,

Francis P. Matthews

Mr. Sol Taishoff
Editor and Publisher
BROADCASTING
National Press Building
Washington 4, D. C

Two Exciting Decades

RADIO broadcasting was already established as an integral part of the American way of life in 1931, when, on Oct. 15, the first issue of BROADCASTING, "The News Magazine of the Fifth Estate," was distributed. Magazines went to executives of the 612 stations then serving listeners in more than 15 million of the nation's homes and of the business concerns and their advertising agencies. Those advertisers and agencies during 1931 spent some $56 million for the use of broadcasting facilities to deliver sales messages about their products to this vast listening audience.

In the 11 years since KDKA Pittsburgh and WWJ Detroit had first begun providing regular program service for a few thousand listeners, broadcasting had come a long way. If it had not as yet achieved full maturity it was certainly a healthy, husky youngster, filled with youth's vitality, idealism and eagerness to serve, and beset by more than a normal number of growing pains.

A rapid recapitulation of radio history during the 1920's, touching only a few of the ultra-high spots in a list of notable events long enough to more than fill a full issue, shows:

1921: First broadcasts of a championship fight (Dempsey-Carpentier) and a big league ball game; 30 stations on the air at the end of the year.

1922: Secretary of Commerce Herbert Hoover called the first radio conference relating to broadcasting (the Department of Commerce a decade earlier had been directed to enforce a radio act requiring certain passenger ships to carry radio equipment and operators, and had expanded its supervision to all domestic radio operations, including broadcasting); the superheterodyne radio receiver was introduced by its inventor, E. H. Armstrong; first sponsored program was broadcast (by WEAF New York, then owned by AT&T which was testing the theory that if a telephone service could be maintained on fees collected from individuals using telephone facilities to talk to other individuals, it might be possible to support a broadcasting service on fees collected from individuals or organizations utilizing radio facilities to address at one time a large number of other individuals); program was a 10-minute talk on real estate, sponsored by the Queensborough Corp., New York real estate organization; more than 500 stations on the air by Dec. 31.

Dr. Armstrong

Network Broadcasting Debuts in January

1923: First network broadcast in January when WEAF New York and WNAC Boston were linked by telephone wire and in June the first multiple station hook-up comprising WEAF, WGY Schenectady; KDKA Pittsburgh, and KYW Chicago; first rebroadcast, when KDPM Cleveland picked up short waves from KDKA and transmitted them; opening of Congress broadcast for first time.

1924: First transatlantic. rebroadcast, KDKA program shortwaved to London, broadcast there for local audience; conventions of the major political parties broadcast for the first time over nationwide networks (What listener from those days will ever forget "Alabama casts 24 votes for Underwood"?); first transatlantic picture transmission by facsimile radio.

Nation Hears Coolidge Inaugural

1925: Coolidge inaugural broadcast across the country by 24 stations; John Baird, television inventor, showed "radio shadowgraphs" in London; introduction of alternating current tubes made possible the all-electric home receiver; United States Radio Research Labs confirmed Heaviside-Kennelly theory of so-called "radio mirror."

1926: President Coolidge signed the Dill-White Radio Bill, creating the Federal Radio Commission and ending chaos caused by an undisciplined growth of broadcasting after Department of Commerce control had proved ineffective; World Series broadcast for first time by nationwide hookup; NBC organized Nov. 1, with WEAF and WJZ as New York key stations, Merlin Hall Aylesworth as president; more than 700 stations on air.

1927: First regularly established transcontinental hookup opens New Year broadcasting Rose Bowl football game from Pasadena; President Coolidge appoints first Radio Commission: Rear Admiral W. H. G. Bullard, John F. Dillon, Judge E. O. Sykes, O. H. Caldwell, Henry A. Bellows; CBS went on the air Sept. 18, with basic network of 16 stations, Maj. J. Andrew White as president; Young & Rubicam buys block of time across the board on NBC for Radio Household Institute, mixing commercials for various clients among household hints and recipes.

Maj. White

London Beams First Transatlantic Telecast

1928: Baird telecast from London viewed at Hartsdale, N. Y., first transatlantic video transmission; Bell Telephone Labs demonstrates outdoor video pickup without lights; 107-station hookup carries Herbert Hoover's speech accepting Republican nomination for President from Palo Alto; the two major parties spent about $500,000

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* * * * * * * * *

THESE are the founding fathers of NAB as they met in the Drake Hotel, Chicago, on April 23, 1923, to establish the organization. They are (l to r): Raymond Walker; C. H. Anderson; Frank W. Elliott, WHO Des Moines, later an NAB president; Comdr. Eugene F. McDonald Jr., then owner of WJAZ Chicago; Paul Klugh, manager of WJAZ; William S. Hedges, radio editor of the *Chicago Daily News*, operating WMAQ; Elliott Jenkins, WDAP Chicago (now WGN); A. B. Cooper; John Shepard 3rd; Powel Crosley Jr., WLW Cincinnati. They were to guide a rapidly-growing young industry in its early years.

1931

(Continued from page 67)

apiece for radio campaigning; General Electric TV station telecasts one-act drama, *The Queen's Messenger;* Maytag Co., washing machine manufacturer, sponsors first program specially recorded for radio, records produced by National Radio Advertising Inc. under direction of Raymond Soat; number of stations dropped to 677, July 1; industry's gross time sales for 1928 estimated to be $14,100-000.

1929: CBS reorganized Jan. 3, elected William S. Paley president; Procter & Gamble Co. this year made first use of daytime radio and Bulova Watch Co. sent recorded announcements to more than 100 stations for broadcasting together with time signals; NAB in March adopted a code of ethics for the industry; Dr. V. K. Zworykin demonstrated his kinescope TV receiver to IRE meeting at Rochester, N. Y.; 618 stations operating in November; 1929 industry gross time sales put at $26,800,000.

1930: Pentode tubes for radio receivers introduced; first round-the-world broadcast travels from Schenectady to Holland to Java to Australia and back in less than a second; NBC opens experimental TV transmitter in New York; CBS broadcasts pre-Christmas series with different sponsor in each city, announcements being cut-in locally, series includes pick-up from Amsterdam, first international origination of commercial program; 612 stations operating; gross time sales up to $40,500,000 despite worsening business conditions.

Dr. Jolliffe

As of midyear 1931, according to a report compiled by Dr. C. B. Jolliffe, chief engineer of the Federal Radio Commission, there were 612 licensed broadcasting stations, 90 operating on clear channels, 284 on regional channels and 238 on local channels, but of the total only 420 were on the air simultaneously at night—45 clears, 187 regionals and 188 local stations. Only 14 stations were licensed for the maximum permitted power of 50 kw. All stations licenses were for six-month periods.

A News Journal Is Born To The Young Radio Industry

That was the status of broadcasting in 1931 when two young Washington reporters, Martin Codel and Sol Taishoff, launched BROADCASTING as the news journal of the broadcasting industry with the intention, as they said in their first editorial, "to report, fairly and accurately, the thoughts and the activities that motivate the field of broadcasting and the men who are guiding and administering broadcasting." The partnership and dual management lasted until 1944 when Mr. Codel sold his interest to Mr. Taishoff, who is now sole owner, editor and publisher.

Some of the dangers facing the broadcasters of 1931 were set out in the first issue of the new magazine by Henry A. Bellows, former member of the Radio Commission who had become a CBS vice president and a leader in industry affairs. A major danger, Mr. Bellows wrote, was Congressional encroachment on the Radio Commission's function of licensing stations, and he noted that earlier in the year the Senate had approved a bill which would allocate a clear channel each to labor, agriculture and education. Ill-advised state legislation was another threat, he said, adding that it probably could be defeated, but only after a long and costly fight. A third danger was the results of the "virtual abdication" of the Commission to the Court of Appeals, so that a Commission on hearing was regarded as merely the preamble to appeal and a "good Washington lawyer has become more important to every broadcasting station than a good chief engineer." Another major threat to industry progress, Mr. Bellows declared, was rate cutting and the readiness of many stations to accept advertising "which destroys public confidence or lessens public interest." A fifth hazard was the lack of unified efforts by broadcasters in attacking their common problems. As minor dangers he lumped together copyright troubles, the demands of other North American countries for broadcast channels, the Commission's "inexhaustible capacity for procrastination," and the Davis Amendment and quota system, designed to insure an equitable distribution of radio program service throughout the land by setting up quotas of broadcast units for each state and regional zone.

Many, Varied Demands Besieged Radio

Mr. Bellows might also have posted danger warnings against the demands of many educators and educational groups for Government guarantees of more time on the air, either through station assignments or by having a definite proportion of all stations' time set aside for educational programming. Broadcasters were also concerned over the complaint of Sta-Shine Products Co. to the Interstate Commerce Committee against NBC's rates, which the complainant charged were "exorbitant," as the case was a test of the ICC's power to regulate the rates of broadcasting stations as it did those of railroads and other common carriers. Another potential threat was the campaign of H. O. Davis, publisher of the *Ventura* (Calif.) *Free Press*, for the support of other newspapers in his crusade to abolish commercial radio and its increasing competition with newspapers for advertising.

INDIVIDUAL pictures used in this section are contemporary photographs showing the individuals at about the time mentioned in the text.

Mr. Carpenter

Still other problems were raised at the ninth annual convention of the National Assn. of Broadcasters, meeting Oct. 26-28 in Detroit. H. K. Carpenter, WPTF Raleigh, chairman of the commercial broadcasting committee, urged broadcasters not to cut rates or to sacrifice program quality to commercial expediency and warned them to view with suspicion offers of free programs, educational talks and the like as probably concealing advertising copy for which the stations should be paid. He reported a committee decision to issue a standard market data form for station use, despite doubts of the committee of the American Assn. of Advertising Agencies with whom it had been discussed that it includes all the information the agencies want. The committee also asked for support in persuading the Radio Commission to reduce its requirements for identifying all recordings used on the air both before and after their broadcast and for identifying transcriptions as such rather than lumping them in with phonograph records as recordings.

Elliott Warns Industry To Watch Its Step

Frank W. Elliott of Davenport provoked a heated discussion when he decried the general acceptance of such objectionable commercials as those with women reading cigarette copy and the broadcasting of off-color songs, warning that unless the industry did its own regulating "we will have Congress shove this down our throats."

John Benson, AAAA president, said that while there was yet no agreement on station coverage or the right way to measure it, the agencies were watching with interest the program checking system of Archibald Crossley. He said that time brokers were unfair when they represented competing stations and supported a proposal that the NAB create an "Open Time" office in New York if it could give agencies the information they require. (Earlier that year a group of 21 stations had set up Advertisers Radio Service as a cooperative representation service and after it disbanded in October, William G. Rambeau, its manager, had started his own firm as the first exclusive representative of radio stations in the U. S.

Mr. Rambeau

President Hoover, in a pooled network broadcast to the convention, praised the American system of licensing stations under private enterprise as having produced "far greater variety of programs and excellence of service without cost to the listener," and by avoiding the pitfalls of government broadcasting, had "preserved free speech in this country."

Harry Shaw, WMT Waterloo, was elected president (then an unsalaried post) for the coming year and Philip G. Loucks was reappointed managing director. Mr. Loucks reported that the NAB had 135 active members, up from 83 the year before, and 28 associate members, down from 35.

In November ASCAP notified the broadcasters that a new scale of license fees for the right to broadcast the music of its members would go into effect on Feb. 1, at the expiration of the current one-year licenses, without stating what the new scale would be, arousing fears that radio would be called on for a larger payment than in 1931, when the aggregate industry bill was estimated at about $1 million. Broadcasters also hoped to secure some standard form of payment to replace the haphazard and inequitable arrangements of 1931. The death in December of Julius C. Rosenthal, ASCAP general manager, caused a postponement in setting new rates and the old licenses were extended until March 1.

The Commission in November reminded stations that the requirement for keeping their signals within a deviation of 50 cycles, down from the 500 cycle deviation previously allowed, would become effective in June 1932, a year after its adoption, and that equipment capable of keeping the signal within those limits should be installed before that time. The Commission announced that station identification need be announced only every 30 minutes, instead of every quarter-hour, with no need to make the announcement exactly at the hour or half-hour if doing so would interrupt a single consecutive speech. Recording announcements were also reduced to one preceding each disc, with the language left optional as long as it clearly identified the program material as recorded.

Reduction of License Period Recommended

In its recommendations to Congress the Commission asked that the maximum license period be reduced from three years to one year, requested authority to suspend stations up to 30 days, recommended exclusion of territories from the quota system and a revision of the appeals provisions to permit appeals from any Commission order or decision. Also recommended was a new section of law making it illegal to transmit a program originating in the United

(Continued on page 72)

• World Events Are Making News Broadcasts Increasingly Valuable Advertising Properties

• KSD Is Nationally Known for Its More Comprehensive Coverage of the News . . .

employing the largest staff of experienced newspaper writers and reporters of any independent network affiliate station in the United States—plus the world-wide facilities of the Associated Press.

• As of Oct. 2, KSD Had Only 2 News-casts per Day Open for Sponsorship

•

For Rates and Detailed Information, Call or Write

FREE & PETERS, INC.

National Advertising Representative for

KSD

THE ST. LOUIS POST-DISPATCH RADIO STATION

5000 WATTS on 550 KC. DAY and NIGHT

WGN presents to the world

CLARA, LU 'N' EM

—THE SUPER SUDS GIRLS!

THEY talk about everything. Gandhi! Shanghai! The presidential candidates! Unemployment! The subject of every household's everyday life is reviewed and rehashed.

Thousands of women, and men, too, follow their gossiping. Frequent tests have proved this. Thousands of letters are received each month, by the girls and their sponsors.

A year ago last August the Colgate-Palmolive-Peet Company contracted for this WGN feature. They tested the program locally over WGN for five months and then contracted for a year's network broadcast over thirteen stations. At the start of February, 1932, upon receiving many requests from listeners, the sponsors of the feature decided to present the girls' prattlings on a forty-two station network, blanketing the entire country except the Pacific Coast, and to transfer their chatter to a morning period.

Clara, Lu 'n' Em are one of the most popular features on the air today. They're doing a great job for a satisfied client. They're GOOD CHEER both for WGN, their originator and director, and for the NBC chain . . . Is your radio program doing as well? . . . The station that gave the world "Sam 'n' Henry" ("Amos 'n' Andy"), East and Dumke ("Sisters of the Skillet"), "Little Orphan Annie", Kellogg's Singing Lady, and Floyd Gibbons has a program ready for you! WGN is building tomorrow's great programs today.

WGN

THE CHICAGO TRIBUNE STATION ON THE DRAKE HOTEL

416.4 METERS—720 KILOCYCLES

NATIONAL PRESTIGE . . . . SUPERIOR PROGRAMS . . . . 25,000 WATTS POWER . . . . CLEAR CHANNEL . . . . INTENSIVE ZONE 7 COVERAGE

In 1950 WGN presents to the world

THE MOST HOMES REACHED PER WEEK

by any CHICAGO STATION

During the day, WGN reaches 260,100 more homes one or more times a week than the next Chicago station.* During the night, WGN reaches 302,750 more radio homes than the next station.* This is a plus that you get only with WGN.

As was true 18 years ago when the ad on the opposite page appeared, WGN is still building programs, personalities—and sales for advertisers. The Colgate-Palmolive-Peet Company mentioned in the ad as the Sponsor of "Clara, Lu 'n' Em" is still an advertiser on WGN. Effective selling is our business—and we've been in business for 26 years.

If you have a sales problem—you need WGN—now broadcasting from the most modern radio and television center in the Middle West.

*1949 BMB

A Clear Channel Station...
Serving the Middle West

WGN

MBS

Chicago 11
Illinois
50,000 Watts
720
On Your Dial

Eastern Sales Office: 220 East 42nd Street, New York 17, N. Y.
West Coast Representatives: Keenan and Eickelberg
235 Montgomery St., San Francisco 4 • 2978 Wilshire Blvd., Los Angeles 5
710 Lewis Bldg., 333 SW Oak St., Portland 4

1931

(Continued from page 68)

States by wire to any foreign station for rebroadcast without express Commission approval. This last recommendation was aimed at XER Villa Acuna, Mexico, 75 kw border station licensed to Dr. John R. Brinkley, whose license for KFKB Milford, Kan., had been deleted because of broadcasts held inimical to the public health. It was feared that this new station, more powerful than any in the United States, would cause interference with domestic stations, in addition to the suspicion that Dr. Brinkley was planning to resume from across the border the same type of programming which had lost him his Kansas station.

The Commission granted 50 kw to nine stations, raising to 23 the number permitted to use this statutory maximum power, and 25 kw to six others, making nine in this category; the validity of this restrictive high power regulation being promptly challenged by the rejected applicants. Rev. Robert P. Shuler, crusading pastor, also appealed a Commission order deleting his station, KGEF Los Angeles, for operation not in the public interest.

Davis Amendment Brings Station Deletions

Among several station deletions ordered in compliance with the Davis Amendment was that of WIBO and WPCC Chicago, sharing time on 560 kc, in favor of WJKS Gary, Ind., Illinois then being 12.49 units over quota while Indiana was 2.08 units under quota. KYW, first station to be built in Chicago, under constant attack because its frequency, 1020 kc, was allocated to the Second Zone, was in December combatting the petition of Kunsky-Trendle Broadcasting Corp., Detroit, for the frequency, Michigan and the Second Zone being under quota, Illinois and the Fourth Zone being over quota.

Experimental TV Operations Increase

Radio Pictures and CBS both began experimental TV operations in New York during 1931 and RCA selected the Empire State Bldg., world's highest building, as the site for its video experiments in the ultra high frequency region. Philo T. Farnsworth was conducting experiments for Philco Corp., exclusive licensee of his cathode ray video system, which had applied for an experimental telecasting license. Even then TV spectrum space was limited; RCA asked the Commission to keep Philco out of the 43-46 mc area of RCA's Camden experiments as the plants were only four miles apart and interference would have been certain.

Mr. Farnsworth

A review of the year's business revealed 21 national advertisers spending more for radio time in 1931 than in 1930, R. J. Reynolds Tobacco Co. making the largest increase, from $166,463 to $1,235,336. A BBDO survey of transcriptions showed more than 75 regular weekly sponsored transcribed programs on the air the end of the year, 175% above the total for the same date two years earlier. Despite these and other overall indications of industry prosperity, more than half of the country stations were operating in the red, NAB President Shaw told the Commission.

Robert F. Elder, assistant professor of marketing at the Massachusetts Institute of Technology, surveyed the use of radio-advertised products, found radio homes used these brands 29.3% more than families without radios, the increase rising to 36.1% in homes whose radios were used more than three hours a day. To find out what stations people listened to and what they thought about what they heard, N. W. Ayer & Son mailed postcards to merchants, city officials, chambers of commerce, newspaper editors and other leading citizens in every town of 2,500 or more persons, foreshadowing the BMB technique by some 15 years.

Also in 1931, WOV New York set an important legal precedent when the state court denied an attempt of the State Insurance Department to prevent the station from broadcasting programs for the Union Mutual Life Insurance Co. of Iowa, not licensed to do business in the state, the court holding that WOV was "advertising" the policies, not "soliciting" business.

Wrigley Co. Starts 'Myrt & Marge' on CBS

William Wrigley Jr. Co. had the temerity to start *Myrt & Marge* on CBS opposite *Amos 'n' Andy*, whose NBC broadcasts for Pepsodent were then by all odds the most popular serial on the air. The Matchabelli family sued Walter Winchell, NBC and American Tobacco Co. for slander. WABC New York began using a half-wave antenna, developed by CBS engineers at a cost of more than $100,000 with the aim of reducing sky-wave distortion.

Sen. Capper of Kansas and Rep. Harold McGugin of Coffeyville, Kan., both transcribed weekly programs in Washington for broadcast to the voters at home. The American Bar Assn. condemned courtroom broadcasts as an "invasion of the sanctity" of the court and "interference with the administration of justice." A miniature electro-dynamic microphone was first used on the CBS Philco series of concerts by Leopold Stokowski's Philadelphia Orchestra. AT&T's improved cable facilities were providing better quality program transmission for network programs, with fewer interruptions. National Sugar Refining Co. reported success from its experiment to remove all sales talk from its *Melody Moments* program limiting commercials to a reference to its newspaper ads.

Musicians' Strike Averted As Year Ends

The year ended with a high note of good tidings from Chicago whose broadcasters, by presenting a united front, had successfully defied a New Year's Eve strike threat of the Chicago Federation of Musicians. Negotiations conducted by William S. Hedges, WMAQ, for the broadcasters, and James C. Petrillo, local president, and Joseph N. Weber, national president, for the union, averted the strike; rejected demands that the work-week for staff musicians be reduced from 35 to 30 hours, that all stations employ more musicians, that musicians "ride gain" in the control rooms and that no recorded commercial programs be allowed; and won for the broadcasters their first formal contract with the union, including an arbitration clause and improvements in the terms covering daytime only musicians. Sole concession on the part of the broadcasters was the agreement of Class A stations to raise their staff minimum from 10 to 15 musicians, a paper concession only as they all were employing at least that many men already.

1932

THE DEPRESSION was the most important problem broadcasters, along with all other American businessmen, had to deal with in 1932. Broadcasting had just begun to develop into a full-fledged national advertising medium and so did not suffer losses in volume of business as did the older media, but from the beginning of the summer of 1932 on to the end of the year the networks reported monthly billings below those for the corresponding months of 1931.

To counteract this adverse trend, the networks liberalized their advertising policies. NBC in July removed its ban on price mentions for all daytime programs, except on Sunday, and in September announced that prices could be mentioned on evening programs as well, with CBS shortly making the same concession. Great Atlantic & Pacific Tea Co. was the first advertiser to take advantage of the new policy and to announce product prices on its daytime NBC program; it was also the first advertiser to use prices on the network at night.

The move was well received by both advertisers and agencies and at the end of the year NBC President M. H. Aylesworth reported: "We felt under existing economic conditions, prices had a definite interest for the listening public. The ready acceptance of this policy has justified the company's position."

NBC Revises Fees For Sustaining Shows

NBC also revised its charges to stations for sustaining programs from a unit basis to a blanket charge of $1,500 a month for unlimited sustaining service; by the end of 1931 75 stations, 86%, were operating under this flat fee plan. Despite the depression, NBC averaged 1,505 employees during 1932, compared with 1,367 in 1931.

CBS in July cut its rates by about 37% and dropped the extra charges for tieing the Pacific Coast stations into its national chain. Stations also lowered their rates on a wide scale, some through flat rate card reductions, others through such plans as that used by KMBC Kansas City, which offered advertisers a 40% discount if they would place their business on a "run-of-schedule" basis instead of demanding a definite time period. This plan, which also included a two-week cancellation privilege, freeing clients from long-term contract restrictions, was a "depression special" that worked, KMBC reported.

Home-Building Projects Prove Successful

KSTP St. Paul reported on a business-getting plan it had tried out the previous summer when it had built a model home and reported its progress from blueprint to finished dwelling in 36 half-hour broadcasts, each sponsored by one of the firms involved in the building program. Similar home-building projects worked well for WBAL Baltimore and other stations. Many stations found providing merchandising services for their clients a good way to get and hold accounts, with WLW Cincinnati and KFH Wichita especially successful in this activity.

WBSO Needham, Mass., broadcast a series of community programs, each hour-long program devoted to a single community and arranged in cooperation with the chamber of commerce or board of trade. Groups of merchants, usually 10, were permitted to sponsor these programs on a cooperative basis, each getting a 150-word commercial during the broadcast.

In at least one instance the depression helped to promote business for radio: Lehn & Fink invested the complete advertising budget of Pebeco toothpaste for the year in radio in the belief,

voiced by the company's president, Edward Plaut, that "this year the more established forms of advertising will not prove as effective as the unusual forms like radio."

Recorded Show Ban Lifted by NBC

Politics also contributed to radio's income during this Presidential election year. On the national level the Republicans spent something between $400,000 and $500,000 for the re-election of President Hoover, the Democrats about $300,000 for his opponent, Franklin Delano Roosevelt, with perhaps $750,000 worth of radio time purchased by both parties in support of local and regional candidates.

To encourage spot business for its owned stations, NBC lifted the ban on recorded programs during the daytime hours ouside of New York. CBS continued its policy of leaving the matter up to the managers of its individual stations. Pan American Broadcasting System was organized as a "wax network" with the aim of including 100 stations.

Combined network gross time sales for the year totaled $39,106,776, according to National Advertising Records, a gain of 9.2% from the year before. Overall gross time sales for the industry, network, spot and local, were estimated at $61,900,000, up 10.5% from 1931.

Politics brought problems as well as profits to radio. The Nebraska Supreme Court ruled that broadcasters were accountable for libel "published" over their facilities just as newspapers are responsible for what they publish. This dictum was handed down in a suit brought by C. A. Sorenson, attorney general of Nebraska, against KFAB Lincoln and Richard A. Wood, an attorney of that city, for statements made by Mr. Wood over KFAB during the 1930 primary campaign. The jury in the lower court exonerated KFAB from responsibility after the station had explained that it had no advance script of Mr. Wood's talk, did not know it was going to be defamatory and in any event was prohibited from censoring the talk under the federal law. Mr. Sorenson had appealed and the appellate court had now ruled the station operator absolutely liable. The case was subsequently appealed to the Supreme Court of the United States, which declined to review it.

Couzens-Dill Measure Passes in Senate

In January the Senate passed the Couzens-Dill resolution asking the Radio Commission to survey advertising on the air, the educational use of radio and also to report on the feasibility of government operation. James W. Baldwin, Commission secretary, sent questionnaires to networks, stations, advertisers, agencies, radio educational groups, government agencies, foreign radio interests, etc.

Shortly before the investigation started, BROADCASTING had reported that the Commission's own records refuted arguments that more educational radio facilities were needed. Of the 44 educational stations, 17 sold time and about 30 of the 83 stations licensed to schools, churches, municipalities and charities also were operated as commercial stations. Overall, the educational stations actually devoted less time to education, under 8%, than the commercial stations, which on the average gave more than 10% of their operating time to educational programming.

IN A 1932 interview, H. V. Kaltenborn (2d l), dean of news analysts, talks with the man who soon was to lead the world into World War II. The other correspondents at the interview were Karl von Weigand (l), chief correspondent, Hearst papers, and Louis Lochner, chief correspondent for AP in Berlin.

* * *

NBC and CBS Report Holdings to Congress

To set Congress straight about their holdings, NBC and CBS wrote to each Congressman, reporting that the 87 stations in the NBC networks included five owned outright, a half interest in WMAQ Chicago, two stations owned by General Electric Co. and operated by NBC and four West Coast stations in which the network had recently purchased majority interests; that CBS owned five stations, plus 51% of KMOX St. Louis, and was operating WPG, Atlantic City's municipal station, under lease. Both networks stated that their affiliated stations determined their own policies and that their affiliations with the networks did not deprive them of ample time for local programs, NBC adding that it had no written affiliation contracts.

In March, William S. Paley and his associates bought the half-interest in CBS which had been held by Paramount Pictures Inc. for a sum reported to be more than $6 million, giving this group complete ownership of the network (in 1950 a $50 million property), which had been purchased by Mr. Paley and a family group from Columbia Phonograph Co. in 1928. In the intervening time CBS had grown from 16 outlets to 91. During 1931 the network had bought seven concert companies and merged them as Columbia Concerts Corp. to assure a supply of musical talent for network programs.

A proposal to tax stations as a means of defraying the cost of governmental administration, with fees ranging from $120 a year for 100 w stations to $5,000 for 50 kw stations, was introduced in the Senate, but died in committee. A new revenue bill that became law in June, however, included a 5% tax on land lines and a 5% tax on receivers. NAB protests finally secured a ruling exempting broadcasters from the land line tax on their interconnections. The tax on sets stuck, and broadcasters were told that they would have to pay 3% tax levied on all commercial users of electricity which the NAB had opposed as not applicable as broadcasters should be classed as industrial users, who were exempt.

ASCAP continued as a major and unceasing problem throughout the year. The broadcasters all wanted a standard license arrangement but were divided as to how it should be calculated. NAB favored a rate card basis; the small stations, few of them NAB members, voted in a survey conducted by A. S. Clarke, WBTM Danville, Va., for a formula based on percentage of gross sales, with 2.5% set as about the right amount.

Mills Becomes ASCAP Manager

E. C. Mills left NBC's Radio Music Co. to become general manager of ASCAP. The NAB named Louis G. Caldwell, former Radio Commission general counsel, as special counsel on copyright. With four copyright bills before Congress and Sen. Dill preparing another one, the House Committee on Patents began holding copyright hearings. Gene Buck, ASCAP president, told the committee that of ASCAP's income of about $2 million a year, radio contributed some $900,000 and the movies about $700,000, with about $400,000 coming from dance halls, cabarets and other places of amusement. He charged radio with having killed the sale of phonograph records and sheet music.

Appearing for the broadcasters, Mr. Caldwell asked Congress for protection against abuses of power by copyright owner combinations and against penalties for innocent infringement, such as that by a station broadcasting a network program or a hotel receiving a broadcast. The Copyright Act made no distinction and called for a minimum penalty of $250 per infringement.

ASCAP in April offered stations new licenses to run from June 1, 1932, to Dec. 31, 1935, with commercial fees of 5% of the stations' gross income and a flat sustaining fee, ASCAP to have the right to examine station records. When NAB rejected the proposal, estimated to increase ASCAP's take from radio to about $3.5 million a year, ASCAP agreed to put off the starting date for the new licenses until Sept. 1, while discussing a revision of the terms with a special copyright committee of NAB with Paul Morency, WTIC Hartford, as chairman.

Schuette Picked to Head Copyright Fight

NAB circularized all U.S. stations asking their ideas about the ASCAP proposed license, retained Oswald F. Schuette to head the copyright fight. Mr. Schuette in 1928 had organized the Independent Broadcasters Assn. to combat the Radio Commission's plan of deleting 164 stations and had succeeded in reducing the number of deletions to 30, none of them IBA members.

Urging broadcasters to see that legislation checking ASCAP is passed immediately, BROADCASTING editorialized: "It is well and good to negotiate and arbitrate with ASCAP. . . . Broadcasters do not desire to dodge the payment of any license fee to ASCAP. They simply want the rate to be equitable. With a legislative club over the head of that pool of the order proposed and which can be adopted, a reasonable rate could be assured. Without it the result is obvious."

When broadcaster pressure on Congress showed signs of producing revised copyright legislation, ASCAP offered a new plan which would increase the present fees by 25%, making a total of $1,250,000 a year, to run through 1933 while negotiating for a permanent settlement, with the broadcasters meanwhile dropping their fight for new copyright legislation. NAB proposed instead to accept the 25% increase for two years while a joint NAB-ASCAP committee worked out a per piece license system. ASCAP in turn rejected that offer and broke off negotiations, stating it would deal individually with stations on the 5% plan.

Negotiations resumed, ASCAP made a final offer of a three-year license on a sliding scale, 3% for

(Continued on page 76)

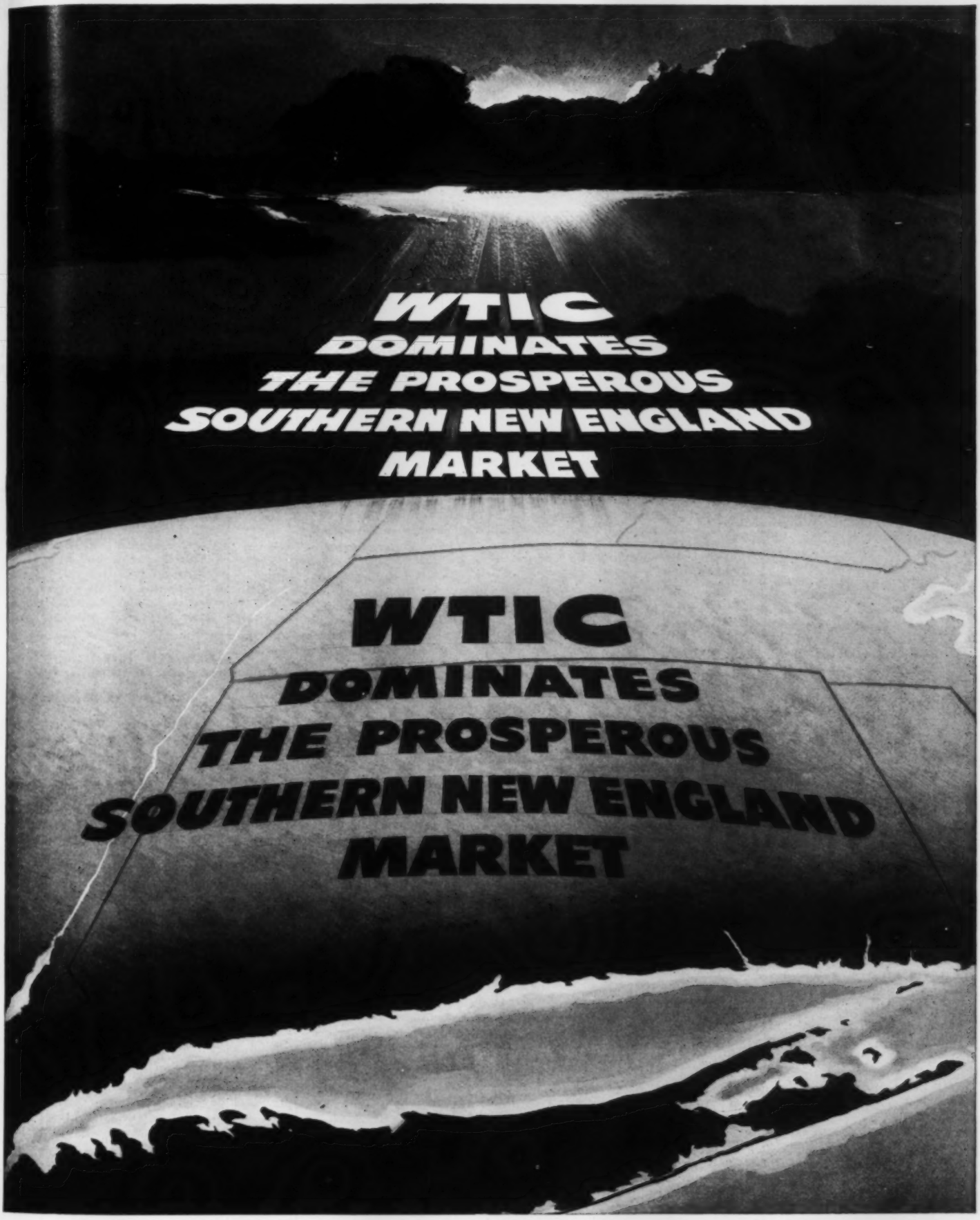
RADIO STRATEGY

IF Napoleon were to plan a radio invasion of New England HIS FIRST MOVE would be to choose the Station in that territory with the greatest

POWER

WTIC

THE TRAVELERS BROADCASTING SERVICE CORPORATION
HARTFORD » CONNECTICUT « » ASSOCIATE N » B » C
MEMBER OF NATIONAL ASSOCIATION OF BROADCASTERS



Paul W. Morency, Vice-Pres.—Gen. Mgr. Walter Johnson, Asst. Gen. Mgr.—Sales Mgr.

WTIC's 50,000 WATTS REPRESENTED NATIONALLY BY WEED & CO.

1932

(Continued from page 73)

the first year, 4% for the second and 5% for the third, estimated to amount to a total of $3 million in 1933, $4 million in 1934 and $5 million in 1935. Assured by its committee that this is the best deal obtainable, the board reluctantly recommended its acceptance by broadcasters and dissolved the committee, giving Mr. Schuette plenary powers to deal with all copyright matters.

Lower Power Outlets Get Reduced Fees

Working with ASCAP on the license terms, Mr. Schuette obtained reductions on the fees for lower powered stations, about 36% for those of 500 w or less, 20-30% for the 1 kw operators. Dean Fitzer, WDAF Kansas City, *Kansas City Star* station, after a conference with Mr. Mills, wrote to a group of major newspaper-owned stations asking for the right to represent them in ASCAP negotiations, reporting hopes of securing substantial reductions "in view of admitted newspaper contributions to music exploitation."

When ASCAP offered that group a 50% reduction in sustaining fees, with commercial fees applicable only to programs using ASCAP music, a meeting of all newspaper stations was called, at which it was decided to reject that proposal. Mr. Fitzer, Walter Damm, WTMJ Milwaukee, and Lambin Kay, WSB Atlanta, were named as a committee to try to get a flat 33⅓% reduction from ASCAP. Sen. Dill, denouncing the ASCAP offer of preferential treatment for newspaper stations as a plot "to use every possible influence of public opinion to keep down opposition to their tyrannical and arbitrary use of power," warned that acceptance by the newspaper stations would give new impetus to already proposed legislation prohibiting newspapers from station ownership.

At NAB's convention, held Nov. 14-16 in St. Louis, Sen. Dill reported that he and Mr. Mills had worked out a formula whereby broadcasters would pay only for programs using ASCAP music, but that it had been rejected by the ASCAP board. He urged NAB to set up its own supply of music as the best insurance against ASCAP domination.

McCosker Elected To Head NAB

The convention elected as president Alfred J. McCosker, director of WOR New York, reappointed Mr. Schuette as copyright expert at $18,000 a year and also reappointed Philip G. Loucks as managing director, with a 10% increase to $10,000 a year and adopted a vigorous program for the coming year with plans for tripling or quadrupling the 1932 budget of $50,000 and employing a prominent public figure to lead the industry battle against those who were trying to alter or eliminate the free enterprise system of broadcasting. Mr. Loucks reported 178 active and 27 associate members in NAB, just about double the membership at the time of his appointment as managing director in November 1930. Commissioner Harold A. Lafount urged the NAB to wage war against overcommercialism which, he declared, was the industry's most vulnerable point. "Already," he stated, "an irate public is besieging their representatives in Congress for drastic action." Mr. Lafount decried the practice of permitting advertisers to build their own programs and broadcast them with little or no station supervision, particularly the sale of blocks of time to "high powered salesmen" for resale to individual advertisers.

The convention adopted a resolution proposed by Stanley Hubbard, KSTP St. Paul, for an investigation of AT&T line charges, reported to aggregate $8 million to $10 million annually, Mr. Hubbard charging that the rates were exorbitant and that they were not uniform. Broadcasters hopefully watched indications that the telegraph companies might begin competing with AT&T for the program transmission business on a national scale; Postal Telegraph was already leasing lines to Southwest Broadcasting Co.'s regional hookup.

RCA Becomes Wholly Independent

On Nov. 21, Radio Corp. of America and its subsidiary companies, including NBC and RCA Victor Co., became wholly independent through a consent decree entered by the U.S. District Court at Wilmington, Del. Settling without trial the anti-trust suit against RCA and its associates, the decree ordered General Electric Co. and Westinghouse Electric & Mfg. Co. to divest themselves completely of their stock control of RCA.

The decree also effected a realignment of the radio patent situation, with some 4,000 patents formerly pooled in RCA under an exclusive arrangement became nonexclusive. RCA, however, retained the right to continue to grant licenses to other manufacturers under the patents of GE and Westinghouse and AT&T as well as its own patents and to retain the royalties received from these licenses.

During the interim period of two and a half years allowed for adjusting RCA's business to its new status, GE and Westinghouse were prohibited from manufacturing radio devices except under their own patents, while RCA was authorized to manufacture and sell transmitter and transmitting tubes formerly produced by the two electrical companies. David Sarnoff, RCA president, notified stockholders that in addition to continuing its earlier activities in broadcasting, transoceanic and ship-to-shore communication, radio manufacturing and entertainment, RCA received patent rights under the decree which would enable it to expand its manufacturing into new phases of electronics beyond the radio business. As a part of the settlement, RCA transferred its New York building on Lexington to GE and completed negotiations with Rockefeller Center for space in the Radio City project for occupancy in the fall of 1933.

Alarmed over the danger of "trafficking" in licenses, the Radio Commission in February adopted a new rule requiring sworn statements of all pertinent details of the transactions to accompany all applications for the transfer of licenses. In April Thad H. Brown, general counsel of the Commission, had been appointed Commissioner from the Second Zone, succeeding Ira E. Robinson, resigned. During the summer the radio division of the Department of Commerce had been merged with the Commission as an economy move. Maj. Gen. Charles McKay Saltzman, chairman, resigned as Commissioner from the Fourth Zone, with the vacancy unfilled at the end of the year. Harold A. Lafount, acting chairman, in October urged the extension of licensing periods from six months to a year to provide more industry stability, but secured no immediate action.

After BROADCASTING had pointed out the dangers to United States and Canadian broadcasters inherent in the station-building programs of Mexico and Cuba, Sen. Dill introduced a resolution asking the Secretary of State, with the assistance of the Radio Commission, to negotiate international agreements with all other North American countries for their mutual protection against radio interference. Decision of the International Radio Conference, held in the fall in Madrid, to leave extension of the broadcast band into the long waves below 550 kc up to the individual regions, and the action of the Mexican government in granting superpower of 500 kw to XER Villa Acuna, which was authorized to operate alternately on 655 kc and 735 kc—both clear channels then being used in this country and in Canada—increased pressure for a North American conference, to be held in 1933.

WIBO Chicago, operating under a stay order pending hearing of its appeal from deletion ordered under the Davis Amendment in November, filed suit against WJKS Gary, Ind., which had been assigned WIBO's frequency, and its principals, including Ralph Atlass, and against WBBM Chicago, which Ralph and Leslie Atlass had owned prior to its sale to CBS, charging conspiracy to force WIBO off the air and asking $900,000 damages. The Court of Appeals of the District of Columbia the following month handed down a decision reversing the Commissions' deletion order by a split vote, the majority holding that quota differences between Illinois and Indiana were insufficient grounds for wiping out a business worth $500,000 or more, while the minority opinion was that the Davis Amendment made the Commission mandatory. Meanwhile, Westinghouse tired of the need for constantly defending the use by KYW Chicago of a frequency assigned to the Second Zone and offered to move the station to Philadelphia, the plan being endorsed by the Commission examiner as the best solution.

Ralph Atlass

When the Associated Press supplied election returns to the networks for broadcasting on election night, the reaction of certain newspaper publishers was so violent that the American Newspaper Publishers Assn. appointed a special committee to investigate the entire field of press-radio relations. The new committee was to work as an auxiliary of the ANPA radio committee, whose former chairman, Elzey Roberts, publisher of the *St. Louis Star-Times*, had resigned when the committee refused to take what he considered a sufficiently strong anti-radio stand. Since his resignation he had made an arrangement with KMOX St. Louis to supply news bulletins to the station, not counting the numerous news tie-ups of this nature, there were at the end of 1932 a total of 112 stations with newspaper ownership or affiliation.

Lindbergh Case Provides Opportunity

The kidnapping of the Lindbergh baby on March 1 had provided radio an opportunity to demonstrate its own ability to report a major news event. WOR Newark broadcast the first report at 11:35 a.m. and immediately set up a remote control unit in the headquarters of the New Jersey police at Trenton, remaining on the air for 72 hours straight to broadcast developments. NBC and CBS rushed to Hopewell, N. J., location of the Lindbergh home, maintaining continuous operation throughout the following week.

A realignment of frequencies outside the broadcast band became effective in February, giving TV the 1600-1700 kc band adjacent to the new sound track channel of 1550-1600 kc, itself adjacent to the broadcast band. RCA began tests of video transmissions from the Empire State Bldg., using a mechanical scanning system but planning an eventual switch to the cathode ray all-electronic method of telecasting in the ultrahigh frequency region which engineers were coming to believe should be the area for TV operation.

To avoid interference with WTMJ Milwaukee, with whom it shared 620 kc, WFLA-WSUN Clearwater, Fla., installed the country's first directional antenna, designed by Raymond Wilmotte,

(Continued on page 78)

XUM

our **hat's off** to
BROADCASTING
for valuable services rendered
to **radio** and **television**
for 20 memorable years . . .

FIRST IN DETROIT . . . *Owned and Operated by* **THE DETROIT NEWS**

National Representatives: **THE GEORGE P. HOLLINGBERY COMPANY**

Associate Television Station WWJ-TV

WWJ AM-FM

AM—950 KILOCYCLES—5000 WATTS
FM—97.1 MEGACYCLES—10.5 K. W.

Basic NBC Affiliate

1932

(Continued from page 76)

British authority on transmitting antennas, who superintended its construction with the aid of T. A. M. Craven, consulting engineer. The lapel microphone was introduced by Radio Telephone Industries Corp. and RCA brought out a velocity microphone, without a diaphragm, designed for increased directionalism and better fidelity. Broadcasters spent some $570,000 for frequency control equipment to comply with the 50-cycle frequency tolerance requirement which became effective in June. Charles J. Young, son of Owen B. Young, and Dr. E. F. W. Albertson were at work in the RCA Labs on a facsimile system for the radio transmission of pictures and printed material.

Canada Adopts New Radio Plan

In Canada, after the British Privy Council had upheld federal control of radio, dismissing an appeal of the Province of Quebec, the government adopted a radio plan which restricted advertising to 5% of program content and levied a receiver tax of $2 per set. Although the 1931 census had reported 770,436 radio homes, only 592,896 set owners paid the new tax in 1932. BROADCASTING early in the year retained a correspondent for regular coverage of news of the Dominion's broadcasters and their government regulators.

Radio was becoming, even in 1932, a favorite field for market researchers. Lee Bristol, vice president of Bristol-Myers Co. and president of the Assn. of National Advertisers, told the ANA convention that during the year 145,000 calls would be made on set owners asking what they had listened to for the previous several hours, in a "cooperative analysis" of program audiences ANA was conducting for advertisers and agencies. John Shepard 3rd, Yankee Network president, tried out a new kind of survey, developed by Walter Mann & Staff, to measure program perferences on "facts of the present rather than opinions of the past" by using the telephone to ask people what station or program they were listening to at the time the telephone rang.

Hettinger Surveys Summer Listening

Herman Hettinger of the Wharton School of Finance, U. of Pennsylvania, reported on a summer survey of the Philadelphia area that showed the number of summer listeners averaged nearly 90% of the wintertime audience, never falling below 85.5%. Another Wharton survey showed that 95% of housewives listened to the radio at some time during the evening, that Monday was the best and Saturday the poorest weekday evening for radio listening, that afternoons were about equal and Saturday the poorest morning; 61.8% of the women interviewed said they had bought something because it was radio-advertised, confirming a California survey which found 66% of the women interviewed to be buyers of radio-advertised merchandise.

Radio Tells Story to Listeners

Also in 1932: KSTP and WCCO Minneapolis-St. Paul on New Year's Day put on a joint broadcast to tell listeners how American radio operates and the advantages to the public of competition among stations and advertisers which provides the best program service in the world and at no expense to the tax-payers. Radio drew plaudits for its excellent job of reporting the political conventions, NBC serving 88 stations, CBS 96 with the detailed minute-by-minute story. The Eastern College Conference decided to ban all football broadcasts but, after the Pacific Coast Conference had agreed to broadcasts as usual and the Big Ten had left the decision up to each college individually, the Eastern Conference decided to go along and rescinded the ban. Scott Howe Bowen, vehement upholder of general station representation against exclusive representatives, nonetheless agreed to serve as exclusive representative of the Yankee Network and its ten affiliated stations. Samuel Clyde, advertising director of General Mills, urged radio to stay on standard time the year round as railroads do, avoiding the semi-annual mix-up due to some cities going on daylight time, others not. Lord & Thomas installed RCA equipment to record the Lucky Strike broadcasts so as to have a file of the programs exactly as they went on the air. Father Coughlin's *Golden Hour of the Little Flower* was broadcast over a 26-station hookup, largest special network arranged up to that time. General Foods Corp. started a comic strip in 90 newspapers featuring characters from the company's *Tompkins Corners* radio program. Newton Coal Co. bought five hours to broadcast 13 programs over WCAU Philadelphia on Oct. 2, dedication day of WCAU's new 50 kw transmitter, WMCA New York extended its hours of operation to 3 a.m., reporting increased interest by advertisers of luxury products in people who can afford to stay up that late. Mrs. Franklin Roosevelt, wife of the President-elect, in December went on the air for Ponds Extract Co. in an NBC series, her talent fees going to charity.

Chronology continues on page 82

INDIVIDUAL pictures used in this section are contemporary photographs showing the individuals at about the time mentioned in the text.

New England has money to spend

Get your share through the

YANKEE NETWORK

NEW ENGLAND leads the country in per capita purchasing power. It has 8.0% of the country's total wealth. It earns 8.4% of the total income.

New England consumes nearly 10% of all food sold in the United States. According to the New England Council, it is spending more per capita for new cars, gasoline, department store merchandise, life insurance and building materials than any other section of the country.

Concentrate your sales effort on this rich market.

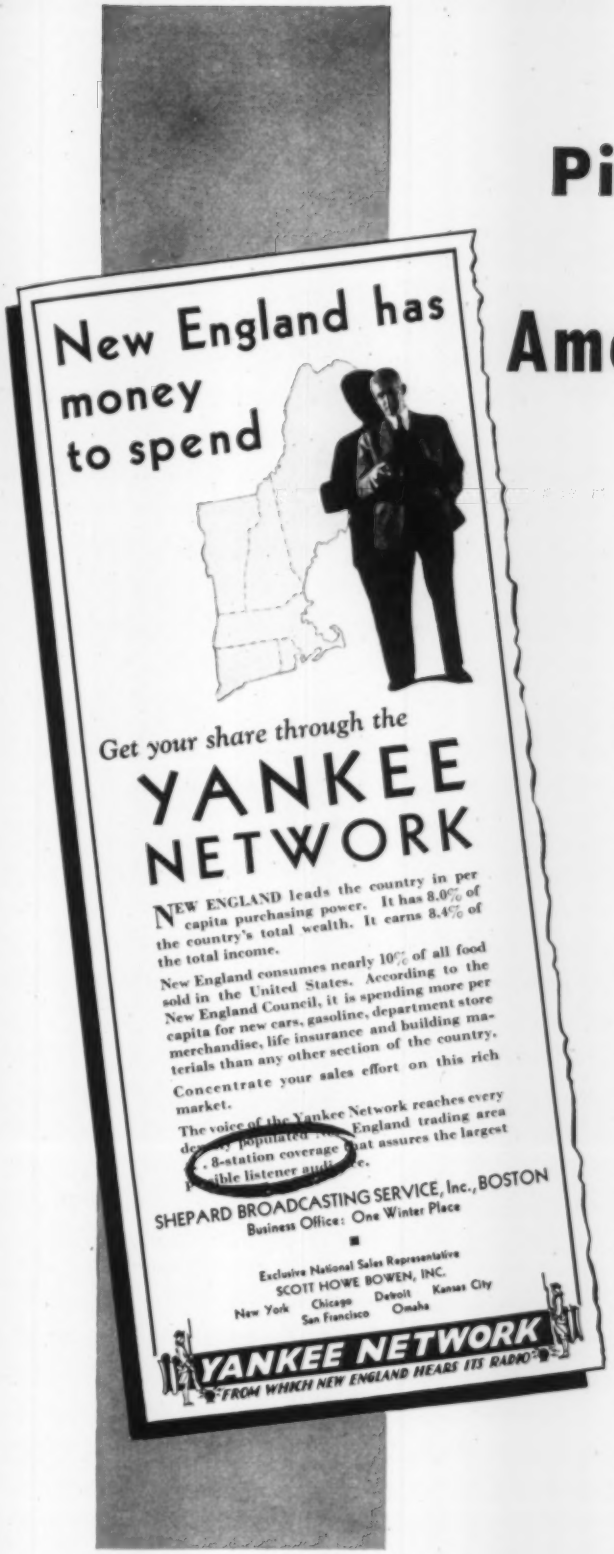
The voice of the Yankee Network reaches every densely populated New England trading area . . . 8-station coverage that assures the largest possible listener audience.

SHEPARD BROADCASTING SERVICE, Inc., BOSTON
Business Office: One Winter Place

■

Exclusive National Sales Representative
SCOTT HOWE BOWEN, INC.
New York Chicago Detroit Kansas City
San Francisco Omaha

YANKEE NETWORK
FROM WHICH NEW ENGLAND HEARS ITS RADIO


New England has money to spend
Get your share through the
YANKEE NETWORK
NEW ENGLAND leads the country in per capita purchasing power. It has 8.0% of the country's total wealth. It earns 8.4% of the total income.
New England consumes nearly 10% of all food sold in the United States. According to the New England Council, it is spending more per capita for new cars, gasoline, department store merchandise, life insurance and building materials than any other section of the country.
Concentrate your sales effort on this rich market.
The voice of the Yankee Network reaches every
England trading area
8-station coverage that assures the largest
SHEPARD BROADCASTING SERVICE, Inc., BOSTON
Business Office: One Winter Place
Exclusive National Sales Representative
SCOTT HOWE BOWEN, INC.
New York Chicago Detroit Kansas City
San Francisco Omaha
YANKEE NETWORK
FROM WHICH NEW ENGLAND HEARS ITS RADIO

A *Salute* to a Pioneer Publication from America's Pioneer Network

THE 20th ANNIVERSARY OF BROADCASTING is a significant milestone of publication progress. Our constant association with you throughout these years, indicates our appreciation of your growth in scope and service to the leadership you have attained.

From 8 Stations to 28

The Yankee Network, which pioneered multi-station broadcasting in America on January 4, 1923, has also kept pace with progress. Since this first announcement in BROADCASTING, we have grown from 8 stations to 28. Each station, carrying Yankee Network and Mutual programs, has dealer and consumer acceptance in New England's high purchasing power, home-town key markets. Yankee's 28 home-town stations provide the greatest possible New England coverage with local selling impact in every market.

Acceptance is THE YANKEE NETWORK'S *Foundation*

THE YANKEE NETWORK, INC.

Member of the Mutual Broadcasting System

21 BROOKLINE AVENUE, BOSTON 15, MASS.

Represented Nationally by EDWARD PETRY & CO., INC.

Complete Merchandising Service Inaugurated by KSTP to Assist Radio Advertisers and Agencies

Northwest's Leading Radio Station Develops New Department to Give Broadcasters Essential Sales Promotion Facilities

With the inauguration of a complete Merchandising Service for the advertiser, KSTP, St. Paul-Minneapolis, has again set the pace in the development of radio station facilities and announcement of the organization of the new department has been received with approbation by agencies and advertisers generally.

The new KSTP service provides a long-sought means of conducting sales campaigns which require special field work in the local market and the correlation of broadcasting with all other forms of advertising and merchandising activities.

"Just what we have wanted for a long time," said representatives of a leading national advertiser.

"KSTP will be doing a big job for the advertiser in making radio tie in the various elements of a selling campaign so that it will be fully effective."

The KSTP Merchandising Service department is operated by men and women experienced in sales promotion and advertising and the service may be used in its entirety or in part as may be required by the advertiser. It includes market research, field surveys, contacts with distributors and dealers, promotional work with local sales representatives, placement of window and other displays, distribution of direct mail pieces and flyers, supplemental advertising and sales help to dealers and all other essentials of an efficient merchandising service.

This new facility provided by KSTP makes it possible for advertisers to capitalize fully on their sales promotion campaigns in the great Twin Cities market. It fills the gap and delivers the final punch that makes for success in terms of sales because it can be used to merchandise not only the radio advertising campaign, but also the products or services to be advertised through KSTP, even before the first broadcast.

Through KSTP the sales message goes to the largest radio audience, double that of any other station serving this market, the most responsive audience held by the heaviest schedule of the most popular national (Red and Blue NBC and spot) regional and local entertainment and service features. The KSTP Merchandising Service augments this capacity for continued leadership by enabling the advertiser to produce maximum results by correlating all sales promotional activities.

10,000 WATTS
100% MODULATION
FULL TIME

KSTP

SAINT PAUL
AND
MINNEAPOLIS

NORTHWEST'S LEADING RADIO STATION

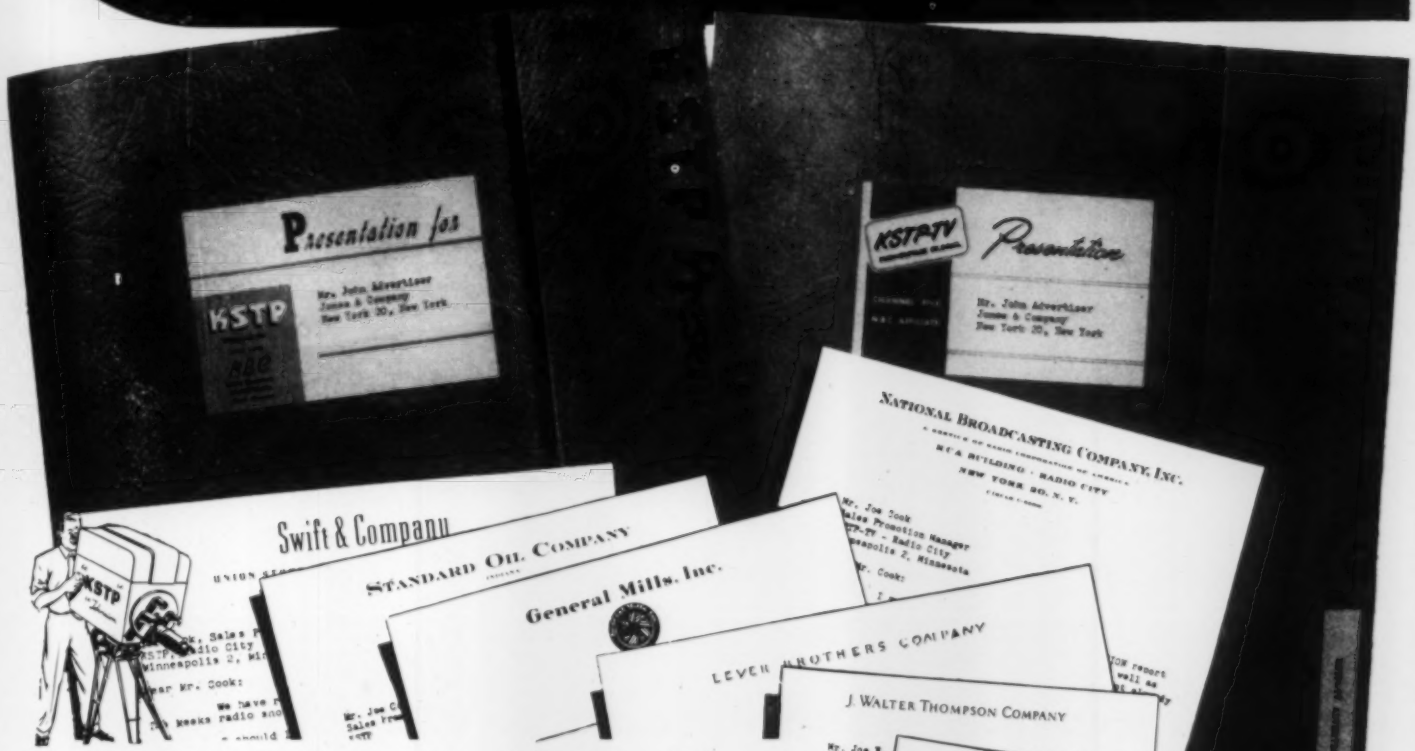
Page 3

XUM

A NATIONAL WINNER with a TWENTY YEAR RECORD...

Planalyzed Promotion

First comes the analysis of your particular sales problems in the great KSTP market. Then—and only then—comes the promotion *plan*. Thus, KSTP's *exclusive*, effective PLANALYZED PROMOTION!



KSTP's own, thorough-going method of merchandising and promoting your radio and television campaign has won a heap of laurels in its twenty years. Variety plaques, Billboard awards, Advertisers' accolades hang in number on our walls.

MORE IMPORTANT, file cabinets are jam-packed with cheers from the most important people in the world . . . our customers.

This exclusive KSTP merchandising service adds the pay-off punch to your radio and television campaign in the important Minneapolis-St. Paul market. In all likelihood you have already received KSTP *Planalyzed Promotion* reports in the familiar red folders . . . most advertisers and agencies in the country have . . . and more are becoming acquainted with the red folder's brother—the bright *blue* television brochure. Be it KSTP or KSTP-TV the service is *just the same!* KSTP *Planalyzed Promotion* can hasten and increase the effectiveness of your radio and television advertising. Any Edward Petry man will be glad to tell you how *Planalyzed Promotion* works and how it will work for you.

KEY STATION FOR THE NORTHWEST NETWORK

50 000 WATTS—CLEAR CHANNEL • EXCLUSIVE NBC AFFILIATE FOR THE TWIN CITIES

REPRESENTED NATIONALLY BY EDWARD PETRY & CO

1933

THE year 1933 was one of change for the country as a whole and the broadcasting industry was no exception. It brought a new President whose inspired use of radio reawakened broadcasters to the power of the medium they controlled. It brought a New Deal and a National Recovery Administration under whose auspices the national economy began towards the end of the year to pull itself out of the morass of depression in which it was so deeply mired as the year began. It brought government administered code of standards for broadcasting that made pointless any attempt by the industry to carry out the ambitious program of self-reorganization that had been planned by the 1932 NAB convention. It brought, in April, the return of beer and in December the repeal of the 18th Amendment, raising new problems of advertising policy for broadcasters. And it brought a radio boycott by newspaper publishers which, almost against its will, forced radio to discover and develop its own potentialities for providing news as well as entertainment for the listening public.

Mr. Cohan

The first major news story covered by radio in 1933 was the attempted assassination of President-elect Roosevelt following a speech in Miami late in February. E. K. Cohan, technical director of CBS, vacationing in Miami Beach, was listening to the talk on WQAM and, hearing the shots and confusion at the end of the address, rushed to the station and telephoned the news to New York in time for its inclusion in Edwin C. Hill's 10:30 p.m. program. Mr. Cohan ordered a circuit set up and at midnight he went on the network from Miami, introducing Fred Mizer, manager and chief announcer of WQAM, who gave the CBS audience an eye-witness account of the shooting, which had started as he was unhooking Mr. Roosevelt's lapel mike. Norman McKay, WQAM program director, reported that he had just come from Mr. Roosevelt who had asked him to assure the public that he was unhurt. In New York, CBS reported on Mrs. Roosevelt's reception of the news. All in all, it was a fine piece of fast reporting.

The inaugural ceremonies, covered by both NBC and CBS in more than eight hours of continuous broadcasting, with pick-ups from dozens of Washington points and shortwaved for rebroadcasting abroad, were followed by the hectic period of the banking crisis, climaxed with the President's announcement, broadcast March 12 over the combined networks of CBS and NBC to what was probably the largest audience in radio history to that time, that the banks were to reopen.

But radio did more than report the crisis. NAB President Alfred McCosker (WOR Newark) had advised stations to cooperate with national and local leaders in steering the public away from fear and panic. "As we radiate calm, confidence and good humor in our attitude and in our broadcasts," he wrote, "so will the listening public —60 million of our citizens—become infused with the same spirit. Radio's stake is the country's stake."

Sales Continue As Credit Is Extended

Following through on this suggestion, the nation's broadcasters extended credit freely during the moneyless period and pushed sales and merchandising with their usual vigor. They also checked their newscasts carefully in line with the warning from Philip G. Loucks, NAB general manager, to cut out "all statements which may reflect inaccurately on the position of financial institutions or give currency to rumors which may have disastrous effects both for the public and for your station."

Stations in Southern California received a second opportunity to combine news coverage and public service late in March when an earthquake shook things up so severely that KHJ and KFI Los Angeles were thrown off the air for brief periods and the studio building of KFOX Long Beach, in the center of the quake zone, was almost demolished, its walls crumbling and its roof collapsing. The KFOX transmitter kept operating, however, and the station's staff stayed on the job.

Off the air when the Navy Dirigible *Akron* crashed off the New Jersey coast in the early morning hours of April 4, the networks opened with bulletins and used them throughout the day, interrupting programs to report the news as fast as it was received. NBC by setting up a remote unit in the Navy Department offices, broadcast an exclusive interview with Secretary of Navy Claude A. Swanson; CBS aired an eye-witness account of the sinking of *J-3*, Lakehurst blimp, which crashed while searching for the *Akron* wreckage; both networks had the *Akron's* sole surviving officer, Lt. Comdr. H. V. Wiley, on the air that evening.

Following a Federal District Court decision upholding the property rights of the Associated Press in its news by issuing a permanent injunction restraining KSOO Sioux Falls from using AP news without permission, the AP membership on April 24 voted not to supply any more news to the networks. Local broadcasts of AP news were restricted to 30-word bulletins on events of major importance, for which both AP and its local member paper were to receive broadcast credit, broadcast on sustaining programs only. The board was authorized to set up extra assessments on member papers supplying news for use on the air, with papers not doing so to receive prorata reductions in their assessments. (The extra fee was set at 2.5% of a paper's general charges for one period of 15 minutes or less a week, 5% for two or more periods, effective Jan. 1, 1934.)

The AP ban had little effect as the networks had received no news from AP, UP or INS since the November elections. The more than 100 newspaper-owned stations and the many more with newspaper tie-ups kept on with their newscasts as before, the chief difference being a preference for UP or INS news because of AP's 30-word limitation.

More disturbing was the resolution adopted April 26 by the convention of American Newspaper Publishers Assn. that program listings were "nothing more nor less than advertising" and should be published only if "paid for as other advertising is paid for." But wherever newspapers attempted to drop their program logs the flood of reader protests usually led to their early reinstatement.

Chief reason for this flare-up against radio was economic. An ANPA analysis of the national advertising dollar showed that newspapers had gotten 45¢ in 1930, and 46.4¢ in both 1931 and 1932, while network radio's share had risen from 5.3¢ in 1930 to 8.1¢ in 1931 and 11.3¢ in 1932.

Broadcasters Begin Own News Staffs

The chief effect of this newspaper antagonism was to encourage broadcasters to organize their own news staffs, which a number of stations did. In the fall, CBS took Paul White from his post as network publicity chief to establish and operate a nationwide news service. Columbia News Service Inc. was soon providing news to the network's commentators and was also compiling material for two five-minute news periods a day, broadcast on the network under sponsorship of General Mills. A request of Columbia News for press gallery privileges for reporters covering Congress was denied, but Western Union and Postal Telegraph allowed radio newsmen to file their copy at press rates.

The year opened with the future uncertain. Businessmen were in no mood to spend more than the bare minimum for advertising and broadcasters had to use every bit of ingenuity to get enough business to meet their payrolls and stay on the air. KOIL Omaha, for example, devised a plan of trade association advertising which cost individual members less than $10 a week and promoted it so assiduously that in February the station was broadcasting these group programs for garages, florists, cleaners, barbers, beauticians, grocers and druggists.

As network billings month by month totaled less than for the same period of 1932, stringent economy moves were made. NBC in April put through a 10% salary cut for all employes making more than $1,000 a year, following a similar cut the previous fall. The NBC-KPO "Gold" Pacific Coast Network was discontinued to save the cost of lines; the "Orange" Network fed by KGO handled Blue as well as Red Network programs.

CBS Introduces 'Transition' Rate

CBS reduced the cost of 6-6:30 p.m. to two-thirds of the evening scale by introducing a new "transition" (from day to evening) rate. NBC applied daytime rates to the hour from 11 p.m. to midnight.

The turn came in October, first 1933 month the combined network billings topped the $3 million mark and first month to show an increase (7%) over the same month of 1932. In November the increase over 1932 was 13%, in December 23%. For the full year network time sales were 19.4% below the 1932 total, but the tide had turned. Both networks raised rates on certain metropolitan stations. CBS reported that in October it had 11 afternoon advertisers using 44 15-minute periods, against six using 17 quarter-hours the previous October. NBC in November restored its spring payroll cut.

Station business increased by 11.8% during 1933, according to estimates made by Dr. Herman Hettinger, U. of Pennsylvania, engaged as NAB research advisor to compile data on industry income and expenses. The industry total gross time sales were $57 million, down 7.9% from the 1932 total.

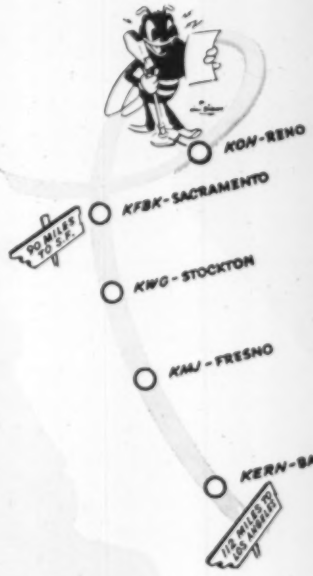
The legalization of 3.2% beer on April 7, hailed by CBS in a midnight broadcast with pick-ups from breweries in Milwaukee, Chicago and St. Louis, was one reason the 1933 record was no worse than it was, breweries spending $348,000 for network time and about $200,000 for spot. The end of prohibition Dec. 5, which CBS also covered with pickups from the state capitals of Pennsylvania, Ohio and Utah whose signatures put into effect the repeal of the 18th Amendment, opened up new sources

(Continued on page 84)

XUM

It's impossible...

...you can't cover California's **Bonanza Beeline** without on-the-spot radio



Be sure to launch your sales story *right in* the Bonanza Beeline. That's a 3-billion-dollar market — California's rich central valleys plus western Nevada — with more people . . . higher food sales . . . greater *total* retail sales than *all of PHILADELPHIA.**

But the Beeline, remember, is an *inland* market — independent of coastal California. And Beeline people naturally prefer their own, on-the-spot stations, rather than faraway San Francisco or Los Angeles stations.

So you *do* need the five BEELINE stations. Each of these on-the-spot stations gives you top coverage in its own rich part of the Beeline. Together, they blanket the whole market. And you choose best availabilities on each station without line costs or clearance problems. Combination rates.

**Sales Management's 1950 Copyrighted Survey*

Here's what you should know about KERN Bakersfield

The CBS station for 59,000 Kern County radio families. BMB home-city weekly audience averages 84% daytime, 92% at night. Last Hooper shows KERN with nearly twice the audience of next best station, Mon. through Fri. afternoons; 30% more audience than next best station, Sun. through Sat. evenings.

McClatchy Broadcasting Company

SACRAMENTO, CALIFORNIA • PAUL H. RAYMER CO., National Representative

KFBK	KOH	KERN	KWG	KMJ
Sacramento (ABC)	Reno (NBC)	Bakersfield (CBS)	Stockton (ABC)	Fresno (NBC)
50,000 watts 1530 kc.	5000 watts, day; 1000 watts, night 630 kc.	1000 watts 1410 kc.	250 watts 1230 kc.	5000 watts 580 kc.

1933

(Continued from page 82)

of revenue. KMOX St. Louis got the first repeal account, a local liquor distributor who used time in November to solicit orders then for delivery when it became legal, and Macy's used time on WOR Newark to describe the proper use of wines.

The immediate volume of liquor advertising on the air was small and all local. CBS and some stations announced that they would accept advertising of wines but not of hard liquor; others decided that as long as liquor advertising was legal they would accept it; some stations flatly rejected any advertising of alcoholic beverages at all; the majority were still pondering the question as 1933 ended.

P. I. Business Becomes Increasing Problem

Stations were deluged, in the depression era, with "free" program offers, made even by such firms as Texas Co., which offered records of its Fire Chief network program, including commercials, for use on a no-charge no-pay basis, and McFadden Publications, which had discontinued its *True Story Hour* but, in response to public demand for its return, would supply 15-minute or half-hour transcriptions gratis to stations.

Per inquiry business also was rampant in 1933, with stations urged to promote dubious merchandise on a straight commission basis, leading BROADCASTING to comment: "If ever there was one subject on which the whole industry should present a united front it is this matter of contingent contracts." Noting that such offers persist largely because "some of the best agencies and some of the leading time brokers and representatives have found some of the best stations willing to give per inquiry accounts an occasional 'shot,'" the editorial declared that "here is a condition that the farsighted element in the NAB ought to be able to persuade the shortsighted element is wholly inimical to its ultimate interests." Because those words were not heeded in 1933, they are worth reprinting in 1950.

The National Recovery Administration, inaugurated July 24 by President Roosevelt in a combined CBS-NBC hookup, looked to radio for continued support in reporting and promoting its progress. The industry responded wholeheartedly. William B. Dolph, formerly director of the Oklahoma territory for RCA Photophone, who had been placed in charge of radio publicity for NRA, reported early in August that virtually all stations and radio advertisers were devoting time to the recovery program, for which the networks had set aside regular weekly periods, and that more than 500 stations had signed pledges of cooperation with NRA.

Mr. Dolph

Broadcasting, like all American industry of national scope, was itself included in the NRA plan. Surveying the industry, NAB found that it employed 9,200 persons full time, with an annual payroll of nearly $17 million, excluding the networks. The code committee appointed by NAB President McCosker to work out terms of fair competition for broadcasting, estimated that another $1 million would be added to radio's payroll when their proposed code became effective.

Major Issues Of Code Hearing

Five major issues arose at the code hearing: Unions representing technical employes demanded a 40-hour week at $1 an hour ($25 at stations with ten or fewer employes). Actors' Equity Assn. asked that minimum wages be set for actors, omitted from the NAB proposal as professionals chiefly employed by artists bureaus, advertisers and agencies. Proposals were made that the code's administrative set-up should be broadened beyond NAB to make it more representative of the entire industry. Small stations objected to the prohibition on per inquiry, commission or barter accounts. Recording companies asked that stations be prohibited from using phonograph records on the air without permission.

The final draft of the broadcasting code, which went into effect Dec. 11, omitted radio performers pending a full study of their status. It retained the 48-hour week for technical employes during a 90-day test period, with their salaries scaled from $20 to $40 depending on the size of the station. Other non-executive employes were put on a 40-hour week. The code prohibited rate-cutting, the acceptance of per inquiry business unless rates for it were included on the station's published rate card, song-plugging, lotteries and misleading announcements about the sponsorship of orchestras. To prevent conflict between NRA and the Radio Commission, the code specified that it should not violate the Commission's licensing authority.

Shepard Named Head Of Code Group

John Shepard 3d, Yankee Network president, was elected chairman of the code authority committee, with John Elmer, owner of WCBM Baltimore, as vice chairman. James W. Baldwin, former secretary of the Radio Commission who had served as industry advisor to NRA on drafting the code, was appointed director of the broadcasting code authority, a salaried post.

Whenever they had a chance to drop their concern over business conditions or code provisions the broadcasters could always worry about ASCAP whose "elevator" contract had been forced on the industry the previous fall. Refusing to have any more dealings with Oswald F. Schuette, NAB copyright director, ASCAP's general manager, E. C. Mills, met April 4 with an NAB committee and told them that ASCAP would not consider any revision in contract terms unless the change would produce more revenue for ASCAP.

The following day, NAB began organizing Radio Program Foundation as an industry-owned source of music with Mr. Schuette as operating head. In June the Foundation obtained the American rights to the catalog of G. Ricordi & Co., Italian publisher, making more than 123,000 compositions available to American broadcasters who were to repay NAB for its investment in this catalog by paying from $2.50 to $25 a month for its use.

Mr. Baker

NAB also retained Newton D. Baker, prominent attorney who had served as Secretary of War under President Wilson, as special copyright counsel. After conferring with the Attorney General, who had been studying ASCAP's operation to see if it violated the federal anti-monopoly laws, Mr. Baker on Sept. 1 filed suit against ASCAP in the Federal District Court in the name of WIP Philadelphia. Action asked for cancellation of WIP's contract with ASCAP as part of a scheme forced on the station "to restrain interstate commerce" and further demanded ASCAP's dissolution as an illegal combination in violation of the anti-trust laws.

ASCAP Increases Fees to 4%

Sept. 1 also put into effect an increase in ASCAP fees from 3% to 4%, the Society reporting some 550 stations as having accepted the licenses by that time. NAB asked stations to send monthly sums amounting to 10% of their ASCAP payments to NAB to help defray the litigation costs. Mr. Schuette in November resigned as copyright director of NAB, but continued as head of Radio Program Foundation.

President Hoover in February reappointed Judge E. O. Sykes to the Radio Commission for a six-year term. The new administration named James E. Hanley, Omaha attorney, to serve for the balance of the Saltzman term, expiring in Feb. 1936, and appointed Herbert L. Pettey, campaign radio director of the Democratic National Committee, as Commission secretary, succeeding Mr. Baldwin, who had resigned March 1. The Commission

1933 was a year that saw radio assume an even more integral role in the national political scene. For the first time microphones were installed in the rostrum of the House to carry actual proceedings. LEFT PHOTO—The words of Speaker Rainey are picked up as he presides. CENTER PHOTO—Sen. King is interviewed by Harry Butcher, CBS (third from l) in the Senate anteroom. Robert Trout, CBS presidential announcer, stands next to Sen. King, while seated at left is Earl Merryman, WJSV Washington operator. RIGHT PHOTO—President-Elect Roosevelt before a carbon mike prepares to address the nation in November 1933.

in March, as a depression measure, relaxed its requirements that stations operate at least two-thirds of their authorized hours, but the 40 stations who curtailed their hours of operation were ordered back to their regularly stipulated time on the air by Nov. 1.

Abandoning its restriction on maximum power to half of the 40 clear channels, the Commission in 1933 awarded 50 kw licenses to five more stations, bringing the number of 50 kw stations to 24, with a number of applications pending at the end of the year. Some 60 unlicensed stations in Texas, defying Federal authority on the ground that their low-powered operation was purely intrastate, were prosecuted by the Department of Justice, which obtained a number of convictions when the cases were tried in the fall.

North American Conference Hits Deadlock

The North American Radio Conference held in July in Mexico City agreed that the 1500-1600 kc band might be opened up for assignment to broadcasting stations, but failed to find a settlement of the continental allocation of broadcast frequencies, reaching a deadlock when Mexico demanded 12 clear channels and the United States delegation refused to discuss parting with anything like that number. Meanwhile, Dr. John R. Brinkley was reported to be proceeding with preparations for a 500 kw operation of XER Villa Acuna. Norman T. Baker, former operator of KTNT Muscatine, Iowa, until his license, like that of Dr. Brinkley's for KFKB Milford, Kan., had been revoked by the Commission for operations not in the public interest, also owned a station on the Mexican border, XEPN Piedras Negras, authorized to broadcast with 100 kw.

In Canada the new Government Radio Commission had effected a country-wide reallocation that changed the frequencies of many stations and reduced the power of some, including CFCA, *Toronto Star* station, which relinquished its license, stating that the cut from 500 w to 100 w did not leave it enough power to provide good service. The Canadian Radio Commission also acquired four stations and began building a national program service for them and any other Canadian stations desiring to take CRC programs, which were broadcast for 90 minutes each evening during the week and for two hours on Sundays. A supplementary regional service was also commenced and the CRC arranged to exchange programs with CBS and NBC but rejected a proposal that it carry commercial programs on its network.

The NAB convention, held early in October at White Sulphur Springs, re-elected Alfred J. McCosker, manager of WOR Newark, president for another year, Philip G. Loucks being reappointed as managing director for a similar term. Resolutions were adopted urging the Commission to license stations for the full three years permitted by the Radio Act and to make transcribed programs easier to sell by removing the requirement for their identification on the air. The NAB members also asked that steps be taken to standardize practices of coverage measurements, urged repeal of the Davis amendment requiring station assignments in accordance with unit quotas for states and regions, and authorized the appointment of a committee to study sales costs and another to survey the field of television.

The convention also went on record as favoring a redrafting of the administration food and drug act better known as the Tugwell bill. BROADCASTING served as the forum house for the industry debate on this measure, starting with an explanation of the bill and its beneficial effects for broadcasters written by the President's number one "brain truster" himself, which drew prompt and vigorous replies from spokesmen for the makers of proprietary medicines, who viewed the bill and its results in quite another light.

Mr. Wynn

Ed Wynn early in the year announced plans for a third network, the Amalgamated Broadcasting System, to start in the East, eventually spread across the country, using Western Union lines. After repeated delays, ABS finally broadcast its first programs Sept. 25 over a 4-station Atlantic Coast hookup, but shut down Nov. 1, with Mr. Wynn, who was reported to have spent $250,000 of his own money in the venture, renewing his Texaco contract for another year on NBC as the Fire Chief.

Set Standard Forms For Spot Broadcasting

Also in 1933: NAB and AAAA approved standard order forms for spot broadcasting, including a clause fixing the responsibilities for libel, slander, unfair competition, etc., to protect stations against suits for acts committed by their clients. NAB board approved a new class of membership of stations grossing less than $15,000 a year, with dues set at $30, half the previous minimum. CBS study of economic levels found homes with radios to have greater purchasing power than non-radio homes. The Commission authorized the move of KYW from Chicago to Philadelphia.

WIBO and WPCC Chicago ceased operations when the United States Supreme Court reversed the Court of Appeals, upholding the validity of the Davis amendment and the right of the Commission to distribute radio facilities as it deemed best. Commission planned fact-finding study of whole quota set-up in view of changes since the adoption of the quota plan in 1930. After exhaustive tests, Hygrade Sylvania Corp. began equipping all its air-cooled transmitting tubes with graphite anodes. Oklahoma, Washington, Kansas and Missouri levied 2% sales taxes on station gross receipts; Kentucky tried to collect franchise taxes from the national networks.

RCA was awarded the $400,000 contract to build a 500 kw transmitter for WLW Cincinnati, granted authority to carry on experiments with superpower. KSTP St. Paul became the first station subscriber of Cooperative Analysis of Broadcasting, then in its third year of operation, with 35 advertisers and agencies underwriting it. WIL St. Louis in January engaged William C. Murphy of the Philadelphia *Public Ledger* to send a daily bulletin on the progress of repeal, first station to have a Washington correspondent. WCAU Philadelphia dedicated its new building, first specially designed for broadcasting purposes, with new dead-end, live-end studios, floating floors, etc.

Edward Petry & Co., Greig-Blair & Co. joined Free & Sleininger (organized in 1932) and William G. Rambeau Co. (formed in 1931) as pioneers in exclusive station representation. Westinghouse installed a new "concentrator antenna" at KYW Chicago, claimed double signal intensity with no increase in power. WBAL Baltimore claimed even greater improvement in signal strength from new wood antenna, 200-foot vertical mast with "high capacity crown." CBS discontinued its telecasting with a mechanical system after a year and a half. Davis Perfection Bread Co. claimed to have oldest uninterrupted program on the air, *Optimistic Revue*, on KNX Los Angeles each Friday since January 1925.

RCA acquired the assets of De Forest Radio Co. with a bid of $414,600. German Chancellor Adolf Hitler banned American jazz from the government-operated German radio system.

George B. Storer, CKLW Detroit, WWVA Wheeling, WSPD Toledo, started Point O' Purchase System in Detroit, installing synchronized radios in chain stores enabling advertisers to reach prospect in store at time of sale. Breakfast Club programs proved good business getters for many stations; that of WMAL Washington, conducted in a "fast-moving, intimate style" by a young m.c. named Arthur Godfrey, was especially successful. E. H. Sanders, advertising manager, Shell Oil Co., urged broadcasters to build programs themselves, selling only adjacent announcements, like newspapers, limiting role of agencies to providing the commercial copy.

Mr. Godfrey

NBC moved into New York RCA Bldg. in October, with set-up said to be most modern and most completely equipped broadcasting plant in the world. WOR Newark staged its own election campaign in Carteret, N. J., to win a referendum permitting it to erect a 50 kw transmitter there. A new union, Technical Employes of NBC, reached an agreement said to boost the network's technical payroll by $250,000 a year.

BROADCASTING published its first map of radio stations in the United States, distributed with the preconvention issue, Oct. 1. World Broadcasting System offered stations full program service on newly developed Electrical Research Products Inc. wide-range recordings, World assuming the station rental fees for ERPI turntables, with charges put at $150 a week for 214 quarter-hours of programs or eight hours a day, $100 a week for four hours a day, $65 for two hours a day.

Federal Leases WMCA For Year

Federal Broadcasting Corp., with Alfred E. Smith as board chairman and John T. Adams, WMCA New York vice president, as president, leased WMCA for a year from Donald Flamm, who withdrew from active management, for $155,000, plus 25% of all revenue over $600,000. Two announcements on NBC's *Manhattan Merry-Go-Round* pulled more than 154,000 requests for trial cans of Dr. Lyons' Tooth Powder. American Radio Features Syndicate announced a transcribed serial program, *How Wonderful*, written by Rupert Hughes.

Sale of 3,806,000 radios in 1933 put country's radio homes total at 17,950,000 at end of the year, when there were 591 stations licensed, mergers of time-sharing stations in part explaining the drop during the year. The Roosevelt administration during its 10 months had broken all records for official use of radio: President Roosevelt broadcast 20 times, including four "fireside chats"; Mrs. Roosevelt, 17 times; Cabinet members, 107 times; 58 Senators and 42 Representatives were on the air once or more during the year.

INDIVIDUAL pictures used in this section are contemporary photographs showing the individuals at about the time mentioned in the text.

Chronology Continues on Page 86

1934

1934

STRIVING for a settlement of the Press-radio feud, network and newspaper executives in the first weeks of 1934 came up with a plan for a Press Radio Bureau to supply news to broadcasters. Operating under the supervision of a seven-man committee, with one member from the American Newspaper Publishers Assn. and one from NAB, the others representing the three major news associations—AP, UP and INS—and the two networks—NBC and CBS.

The newspaper members were to select an editor who would process the news wires of the three news services and prepare two five-minute newscasts a day, with not more than 30 words being devoted to any one topic. The broadcasters were to stand all costs of the Bureau's operations; the newscasts were to be broadcast without sponsorship and at times not before 9:30 a.m. or 9 p.m., calculated to do the least harm to newsstand sales. CBS was to drop its news collecting activities and NBC was to agree to stay out of that field. The newspaper group promised that any news of "transcendental importance" would be supplied to radio when it broke, without waiting for the regular deadlines, and the networks agreed to keep their commentators concentrated on generalizations and background material rather than spot news.

Dubious about the plan, NAB withheld its approval, but the networks agreed and the Bureau was established with James W. Barrett, former city editor of the New York *American*, as editor.

Haverlin Proposes Co-op News Exchange

Whatever the network thought of the new arrangement, it was anything but satisfactory to many stations who wanted a more liberal supply of news, with freedom to broadcast when they pleased and under sponsorship if they could sell it. They did not have to wait long for someone to volunteer to serve them. Before the Press Radio Bureau had moved its first radio bulletin, Carl Haverlin, sales manager of KFI and KECA Los Angeles, had wired broadcasters in major markets throughout the country asking whether they would be interested in joining in a cooperative news-exchange set-up.

Continental News Service, which since 1931 had been supplying news bulletins to WBZ-WBZA Springfield-Boston and other stations, opened a Washington bureau and began to sign up stations for an expanded news service. The Haverlin-sponsored Radio News Assn. having failed to get going as a cooperative venture, was refinanced by Stanley Hubbard, owner of KSTP St. Paul, who attempted to get Herbert Moore, who had been associated with Paul White in the CBS news organization during 1933, to head up its operation. When that plan fell through, RNA affiliated with Continental and Mr. Moore set up his own news service for radio under the name of Transradio Press Service.

Mr. Hubbard

A half-dozen other organizations were also organized for the purpose of supplying news to radio stations but they lasted only a few weeks or months and by mid-summer, Transradio Press, which in June had absorbed Radio News Assn., was the chief if not the only competitor of the Press Radio Bureau. With a clean beat on the Dillinger killing to its credit, Transradio signed stations rapidly and in November could claim some 150 station clients, compared to about 200 subscribers to the Press Radio Bureau bulletins. Meanwhile, at the demand of the broadcasters using its bulletins, Press Radio Bureau had moved up the deadline for its evening newscast from 9 to 6:30.

Yankee Network Sets Up Own News Bureau

Yankee Network, in addition to getting the Transradio service, also had established its own news bureau which the network maintained at a cost of about $1,500 a week. Many stations had organized local news staffs with varying degrees of success. KNX Los Angeles at first asked its listeners to contribute to the support of its news collection, but soon found sufficient news sponsorship to more than cover expenses and returned the contributions.

On Dec. 18, Judge C. Bowen of the Federal District Court in Seattle rocked the newspaper world by dismissing the suit of AP against KVOS Bellingham for alleged news piracy in a decision that upheld the unrestricted right of radio stations to broadcast news after it has been published. AP immediately filed an appeal from this revolutionary legal dictum which would do away with the association's property rights in its news.

In June Congress passed and the President signed a new communications act that abolished the Federal Radio Commission and replaced it with a new Federal Communications Commission controlling telephone and telegraph as well as radio communications, enlarging the body from five to seven members to take care of its added responsibilities. The new Federal Communications Act substantially reenacted the old Radio Act of 1927, except that 100 w stations were exempted from the restrictions of the Davis amendment wherever they would not interfere with signals of other stations; the broadcasting of lotteries was prohibited; the Commission authority was extended over stock control as well as licenses; foreign studios were forbidden except with specific Commission authorization; the Commission was authorized to originate modification of station licenses; the appellate provisions were altered to permit appeals from denials of construction permits; the Federal Courts were authorized to enforce compliance with the law and the regulations of the Commission; finally, the Commission was instructed to report any suggested amendments to Congress by Feb. 1, 1935.

When the first FCC took office July 1, its members were: Judge E. O. Sykes, charter member of the Radio Commission, named chairman of the FCC with a seven-year term; Thad H. Brown, only other Radio Commissioner appointed to the new body for a six-year term; Paul A. Walker, Oklahoma Democrat, five-year term; Norman S. Case, Republican, former Governor of Rhode Island, for a four-year term; Dr. Irvin Stewart, Texas Democrat formerly a radio expert of the State Department, for a three-year term; George Henry Payne, New York Republican, former member of the New York City tax commission, for a two-year term, and Hampson Gary, Texas Democrat who had been Minister to Switzerland under Wilson, for a one-year term.

Spearman Is Named FCC General Counsel

The Commission named Paul D. P. Spearman, who had been assistant general counsel of the Radio Commission, general counsel. Herbert L. Pettey, secretary of the Radio Commission, was given the same post at FCC. Dr. C. B. Jolliffe retained his position as chief engineer, with an assistant engineer for each of the three divisions of the FCC: Lt. E. K. Jett for telegraph, William G. H. Finch for telephone, and Andrew D. Ring for broadcasting. Mr. Gary was named head of the broadcast division, with Mr. Brown and Judge Sykes as the other members.

In the fall the FCC held a hearing to determine whether it should recommend to Congress that a fixed percentage of the nation's radio facilities should be reserved for assignment to non-profit public service organizations such as schools and churches or that all stations be required to devote a fixed proportion of their hours of operation to educational and public service programming. The educators who testified were agreed only in that radio could be put to better educational use that it had up to that time; they presented no specific plan on which they were agreed for Commission action.

The most definite testimony came from Henry A. Bellows, legislative chairman of NAB, who said that an analysis of affidavits from stations showed that during the first six months of 1934, 16.7% of all broadcast hours had been devoted to some form of educational programs, with 13.3% of the evening hours so utilized. At the conclusion of the hearing there was every indication that the FCC was satisfied that the current system of individual station responsibility for operation in the public interest was better than anything else that had been proposed.

On the basis of a review of the quota system for equalizing the allocation of radio facilities throughout the country required by the Davis amendment, initiated by the Radio Commission the year before, the FCC broke down the system into day and night quotas, the latter remaining much the same, but the daytime quotas expanded, paving the way for daytime power increases.

Clear Channel Probe Ordered by Commission

Acting on the petition of 13 clear channel stations, the Commission ordered an investigation of the clear channel allocations. After the industry promised full cooperation at an informal conference on Nov. 9, the Commission two weeks later laid plans for an exhaustive study of remote listener service rendered by the clear channel stations.

The Federal Trade Commission decided that it also should take a look at what was going on the air. In June the FTC asked stations to begin sending in all of their commercial scripts. In July the FTC cited ten advertisers for hearings and, with more than 80,000 scripts to examine, asked stations not to send any more for a while. Out of a total of over 160,000 commercial continuities reviewed, the FTC reported subsequently, more than 140,000 were filed without question and about 20,000 set aside for a second look, of which the FTC estimated perhaps 1,000 would be acted on.

In addition to the FCC and FTC, the NRA Code Authority was also supervising the broadcasters' activities. In January the Authority adopted ironclad rules to prevent rate manipulation, requiring stations to publish rate cards conforming to the AAAA pattern and absolutely forbidding acceptance of per inquiry business. In May, when NRA Division Administrator Sol A. Rosenblatt proposed that the entire broadcasting industry increase its payroll 10% and at the same time reduce the work week 25%, from 40 to 30 hours, the Authority recommended (and secured) the rejection of that idea, pointing out that in the last half of 1933 employment of broadcast technicians had increased 11.9%, the weekly hours of this group had

(Continued on page 88)

YOU MIGHT GET A 1600-LB. BULL MOOSE*—

BUT . . .

YOU WON'T BAG MUCH IN WESTERN MICHIGAN WITHOUT WKZO - WJEF and WKZO-TV!

FETZER Broadcasting Company stations give you unapproachable coverage of the rich Western Michigan market—*and do it economically!*

WKZO, Kalamazoo and WJEF, Grand Rapids are so far ahead of their nearest competition that together they give you about 57% more city listeners than the next-best two-station choice in Kalamazoo and Grand Rapids —yet cost 20% less! *BMB Report No. 2 (Spring, 1949) reveals that the Fetzer stations have an unduplicated coverage of more than 60,000 homes in the Grand Rapids area alone.*

If you're using television, WKZO-TV will give you *five markets with a buying income of more than one and a half billion dollars.* It is basic CBS via micro-wave relay. Now in its fourth month on the air, WKZO-TV beams a sharp Channel-3 picture to more than 70,000 TV sets in five big metropolitan markets in Western Michigan and Northern Indiana.

Get all the facts today. Write direct or ask Avery-Knodel, Inc.

**F. D. Fetherston and D. G. MacDonald got one this size on the Magnassippi River, Quebec, in 1889.*

WJEF tops IN GRAND RAPIDS AND KENT COUNTY (CBS)

WKZO-TV tops IN WESTERN MICHIGAN AND NORTHERN INDIANA

WKZO tops IN KALAMAZOO AND GREATER WESTERN MICHIGAN (CBS)

ALL THREE OWNED AND OPERATED BY

FETZER BROADCASTING COMPANY

AVERY-KNODEL, INC., EXCLUSIVE NATIONAL REPRESENTATIVES

Our Advertisement in . . .
Vol. 1, No. 1 of BROADCASTING
Stated . . .

PROGRAMS build AUDIENCE!

• WMBD has assumed a vital part in the life of Central Illinois. Our summer programs have included such outstanding local features as these:

Broadcast of the Outboard Motor Boat races from the judges barge in the middle of the Illinois River. State Convention of the American Legion. Stroke by stroke account of the City Amateur Golf Championship match. Play by play of Peoria III-League baseball games. Matinee performance of Ringling Brothers Circus, direct from the "big top." News flashes three times daily; two daily sport reviews. 107 speakers of State and National prominence and leaders of 30 local organizations.

Outside programs cannot compete with us for listener interest. One of our advertisers received 3400 replies to one sponsored broadcast. Let us give you the details.

WMBD

"from the heart of Illinois"

Owned and operated by

PEORIA BROADCASTING COMPANY

Edgar L. Bill, Pres. and Manager

PEORIA ILLINOIS

. . . We Have Fulfilled Our Promise!

Reproduced above is our "pledge" as it appeared in the FIRST issue of BROADCASTING, October 15, 1931. And, today, the status of WMBD more than bears out every promise therein stated. WMBD continues to provide exclusive service to its Central Illinois territory. This audience tunes to WMBD for more than 25 hours of Columbia Network programs weekly, in addition to a very large schedule of national transcribed and locally produced live talent shows. During 1939 this audience was served with more than 500 broadcasts of Civic events and talks of local organizations. Stronger reasons than ever why outside programs can not compete with us for listener interest!

5000 W. Day • 1000 W. Night

National Representatives:
FREE and PETERS, Inc.

MEMBER C B S NETWORK

WMBD PEORIA, ILLINOIS

October 15, 1940 • **Page 51**

1934

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decreased 9.8% and its weekly pay had gone up 21.1% with similar changes presumable for other radio employes.

The Authority also noted that radical changes advocated would oppress if not eliminate small broadcasting companies and increase the threat of monopoly. After a year of code operation, the Authority proposed that discounts on radio time sold in combination with other media (normally newspapers) and "run of schedule" discounts be prohibited as unfair practices.

Despite Ed Wynn's failure the year before, the "third network" theme was a dominant industry motif throughout 1934. George Storer, WSPD Toledo, WWVA Wheeling, CKLW Detroit, who had purchased a majority interest in Federal Broadcasting Co., operating WMCA New York under lease, and become its president, organized American Broadcasting System and began sending WMCA programs to other East Coast stations. Planning further expansion, the embryo network persuaded Fred Weber to leave NBC and join ABC as vice president in charge of station relations and in October inaugurated 16-hour-a-day program service to a 14-station hookup extending as far west as St. Louis. Adam Hat Stores in November became ABC's first sponsor.

WOR New York, WLW Cincinnati, WGN Chicago and WJR Detroit had on several occasions been hooked up for special commercial broadcasts and in the summer these stations discussed a permanent hookup as the Quality Group, which, in August, began operations with WOR, WLW and WGN as regular members and WXYZ Detroit (replacing WJR) as optional. At the outset only commercial programs were carried by the Quality Group but in October the member stations decided to exchange sustaining programs as well and to rename their hookup the Mutual Broadcasting System.

Mutual Outlines Its Operation Plans

That name "clearly describes our plan of operation" under which "each station will remain independent and make its own decision in accepting programs," W. E. Macfarlane, WGN vice president and first president of MBS, explained. "Each station will receive its card rates for time, less agency commission, making no additional charge to the advertiser for transmission lines. Thus, we believe, we have established a truly mutual arrangement between a group of independently owned stations."

Alfred J. McCosker, president of WOR, was elected board chairman of Mutual, which by Nov. 1 was broadcasting dance band pickups and variety shows sustaining in addition to commercial programs for Horlick's Malted Milk, Baume Bengue and Wasey Products.

WLW was also involved in a project even more experimental than a third network and the whole industry watched closely as the station began testing its new 500 kw transmitter, installed at a cost of more than $400,000. In January W8XAO — experimental call—was on between 1 and 6 a.m. In February it began daytime tests between 6:30 a.m. and 5 p.m., using the regular WLW call and rebroadcasting the regular WLW program schedule.

Mr. Chambers

Joseph A. Chambers, WLW technical supervisor, reported these tests as highly successful, the increased power boosting the station's signal strength by 325% and its secondary coverage area by 1,000% without causing interference with other stations. In April, WLW's night time programs were added to the experimental superpower schedule and in May, when President Roosevelt formally opened the 500 kw transmitter by pressing a key in Washington, WLW was advertising itself as "the world's most powerful commercial broadcasting station."

'High Fidelity' Broadcasting Begins

1934 also marked the beginning of so-called "high fidelity" broadcasting in the United States. After the North American Radio Conference had agreed that the 1500-1600 kc band could be used for standard broadcasting, the Radio Commission had opened three new channels—1530 kc, 1550 kc and 1570 kc—for assignment to not more than a dozen stations which in exchange for getting bands 20 kc wide in place of the usual 10 kc were to be required to install equipment capable of 10,000-cycle audio transmission, compared to the 3,000 to 4,000-cycle audio output of most stations at that time.

The licensees of these new stations would be permitted to broadcast commercial programs, the Commission said, but their operation must be supervised by a research engineer qualified to carry on a full-scale experimental program including a study of antenna design, field intensity surveys and an analysis of listener response. Licenses for high fidelity stations were issued to the *American-Republican*, Waterbury, Conn.; First National Television, Kansas City (controlled by Arthur Church, operator of KMBC); John V. L. Hogan, New York (who had been experimenting with telecasting); Pioneer Mercantile Co., Bakersfield, Calif.

Mr. Hogan's station, W2XR (now WQXR) began broadcasting a two-hour daily schedule in June

and in the fall he reported a response indicating that a substantial audience could be served by a station operating on 1550 kc, even though the older receivers could not tune in signals above 1500 kc. He stated that listeners appreciated high fidelity program service and announced plans for adding commercial shows to the station's sustaining schedule of classical music.

The 400 broadcasters attending the convention, held Sept. 16-18 in Cincinnati, returned home with renewed confidence that the American system of broadcasting was firmly entrenched, their fears of excessive government interference disspelled by a message from the President and talks by high government officials expressing faith in and praise for the way radio as a private enterprise operation was serving the public.

Mr. Ward

J. Truman Ward, manager of WLAC Nashville, was elected NAB president for the coming year, with Philip G. Loucks continuing as managing director. Most important resolution adopted was one authorizing a committee to determine what is pertinent information about stations for advertisers and agencies and to work with the ANA and AAAA toward creating a bureau to set up a standard coverage operation for radio comparable to that of the Audit Bureau of Circulations in the newspaper and magazine fields.

Only major development in the ASCAP situation during the year came Aug. 30, when the Department of Justice filed suit in the Federal District Court in New York for the dissolution of the Society under the Sherman anti-trust act, this action preceding by two days the Sept. 1 increase of the station payments to ASCAP to 5% for commercial licenses plus a flat sustaining fee.

FCC Gives Opinion On Liquor Ads

The hesitancy of most broadcasters about accepting advertising for hard liquor was increased by a Commission statement urging them to "bear in mind" that "millions of listeners through the United States do not use intoxicating liquors and many children of both users and non-users are part of the listening audience." Adding to the industry's uncertainty, Ira E. Robinson, former chairman of the Commission, expressed the opinion that stations in wet states could not refuse to accept advertising of alcoholic beverages if they took advertising of other products.

The Canadian Radio Commission, having previously limited advertising on the air to three minutes out of each commercial hour, restricted the use of recorded material to the hours before 5:30 p.m. and denied the right to accept commercial programs from the United States to all Canadian stations except the six previously under contract to do so. CRC won a fight with the musicians union after an abortive strike, the musicians agreeing to let CRC set its own scale of payment and to use non-union as well as union musicians.

Dr. Herman Hettinger, on leave from the U. of Pennsylvania to serve as fulltime NAB research director, reported at the end of the year that businesswise 1934 had been the best year in the history of commercial radio, with total gross time sales of $72,887,169. The national networks had grossed $42,647,081, the regional networks $717,117, spot business $13,541,770 and local $15,981,201, according to the Hettinger estimates.

Foods Head Time Purchases

Analyzing time purchases by class of product advertised, Dr. Hettinger found foods first with 19.0%; then toiletries, 14.4%; drugs, 12.3%; gas, oil and auto accessories, 8.6%; beverages, 6.4%; autos, 5.7%; tobacco, 4.6%; soaps, 3.8%; clothes, 3.2%; household equipment and furnishings, 3.2%; confections, 2.0%; retail, 1.9%; insurance and financial, 1.8%; radios, 1.0%; amusements, 0.8%, and miscellaneous, 11.3%.

Mr. James

E. P. H. James, advertising and sales promotion manager of NBC, reported that the average expenditure of NBC's 237 clients during 1934 was $157,252, compared with the 1933 average of $135,777, adding that 44% of all advertisers on the network spent less than $50,000 during the year.

CBS estimated that at the end of 1934 more than two thirds of the country's homes were equipped with radios, a total of 21,455,799 units, and Daniel Starch & Staff, after a nationwide survey, reported 97% of the sets were in working order. A study of multiple station ownership, made early in 1934 under the auspices of the House Interstate Commerce Committee, found that NBC owned, controlled or managed 16 stations and CBS, seven, with 17 individuals and 11 corporations or holding companies controlling two or more stations.

Also in 1934: World Broadcasting System, largest producer of transcriptions for use exclusively in broadcasting, with 108 stations using its daily service, asked the FCC to alter its identification ruling to require only a single announcement for a program of recordings instead of one before each disc. WTMJ Milwaukee began experiments in facsimile broadcast-

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VOL. 20, NO. 1 of BROADCASTING

WMBD-1950

EDGAR L. BILL, PRESIDENT — CHARLES C. CALEY, EXECUTIVE VICE PRESIDENT

PEORIA BROADCASTING COMPANY

"First in the Heart of Illinois"

RADIO STATION WMBD AND WMBD-FM

AFFILIATE COLUMBIA BROADCASTING SYSTEM

OFFICE AND STUDIOS
212 SOUTH JEFFERSON AVENUE
PEORIA 2, ILLINOIS

September 26, 1950

Mr. Sol Taishoff
Broadcasting Publications, Inc.
870 National Press Building
Washington 4, D. C.

Dear Sol:

Congratulations on the beginning of your 20th year!

It's hard to believe that it's 20 years since our first advertisement appeared in your Volume 1, Number 1 issue -- and gratifying that after all these years WMBD continues to be first in the Heart of Illinois.

We have found that Peoria area people believe in radio - and especially WMBD.

Our broadcasting is dedicated to that belief. And so long as we keep faith with our listeners, the future is but another step forward.

We are humbly grateful to our listeners. Their progress, happiness and prosperity is our business...and Sol, all of us here at WMBD are firmly resolved that such business comes first.

That is our pledge for the future.

Cordially yours,

Charles C. Caley

Charles C. Caley
Vice President
and General Manager

FREE & PETERS, INC., NATIONAL REPRESENTATIVES

AM WMBD FM
PEORIA
CBS Affiliate • 5000 Watts
Free & Peters, Inc., Nat'l. Reps.

1934

(Continued from page 89)

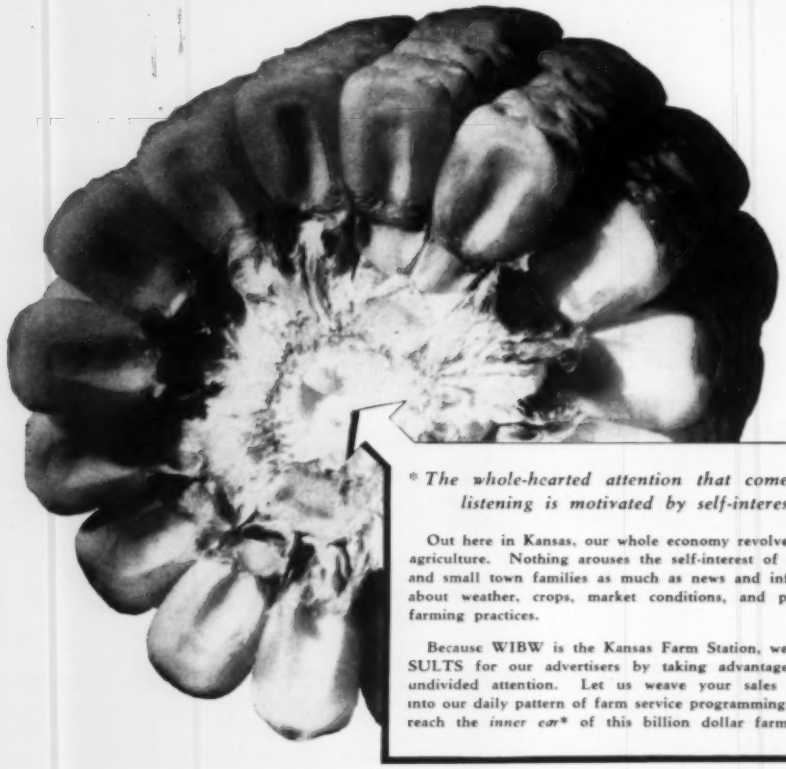
ing. Henry A. Bellows left CBS to join the NAB executive staff; Harry Butcher succeeded him as CBS vice president in Washington, also continuing as manager of WJSV. *March of Time* discontinued Bill Adams' impersonations of President Roosevelt, contending they were too realistic.

NBC entered the transcription production field, offering 13-minute "open-end" recordings to stations for sale to local advertisers or sustaining use, in 13-week series. NBC also stopped recognition of special agencies and time brokers for business on its owned and managed stations, now represented nationally by NBC Local Sales Department. NBC also put into effect the rule adopted in December 1933 against accepting any new accounts advertising cathartics, depilatories and other products of personal hygiene, although permitting clients of that nature already on NBC to continue.

CBS in 1934 expanded from 92 to 97 stations, reported net earnings for the year of $2,274,119. WCCO Minneapolis refused announcements for all times except in early morning, at noon and after 10:15 p.m., Earl Gammons, manager, explaining the station feeling that it was "unfair to sell a client announcements between programs for which another advertiser has paid a considerable amount of money and built an audience." Ford Motor Co. became first sponsor of the World Series, paying $100,000 for radio rights, buying time on the combined networks of NBC and CBS plus Chicago (totalling about 180 stations) after the Code Authority refused to allow Ford to carry out its original plan of buying only key stations and offering the broadcasts, including commercials, to other stations on a no-charge-no-pay basis.

Prof. Frank N. Stanton of Ohio State U. used 160 students in an experiment that showed they remembered advertising copy they heard more effectively than that they read. KYW, after operating in Chicago since 1921, moved to Philadelphia, went on the air there Dec. 3. A *Literary Digest* poll found symphonic music the best-liked radio program material, jazz music the most disliked. Radio City visitors, asked their program preferences, put dance music first by a margin of more than three to one over comedy, which ranked second. Dr. Neville Hopkins demonstrated his "radiovoting" system, with buttons installed in receivers registering "present," "yes" and "no" records at power station for retransmission to broadcasters. Edgar Kobak left McGraw-Hill to join NBC as vice president in charge of sales.

REACH THE *INNER EAR** of the KANSAS FARM MARKET



* *The whole-hearted attention that comes when listening is motivated by self-interest.*

Out here in Kansas, our whole economy revolves around agriculture. Nothing arouses the self-interest of our farm and small town families as much as news and information about weather, crops, market conditions, and productive farming practices.

Because WIBW is the Kansas Farm Station, we get RESULTS for our advertisers by taking advantage of this undivided attention. Let us weave your sales messages into our daily pattern of farm service programming. You'll reach the *inner ear** of this billion dollar farm market.

W I B W

SERVING AND SELLING
"THE MAGIC CIRCLE"
WIBW · TOPEKA, KANSAS · WIBW-FM

C B S

Rep: CAPPER PUBLICATIONS, INC. · BEN LUDY, Gen. Mgr. · WIBW · KCKN

THE REFORM movement hit radio full force in 1935, with Anning S. Prall, new FCC chairman, personally leading the clean-up squad in a whirlwind campaign to do away with harmful program practices. It was so vigorously prosecuted that broadcasters scarcely noticed the departure from the national scene of the NRA and its Broadcast Code Authority which for some 18 months had been their chief authority on employment and advertising practice.

The year started with good news for radio in the Commission's report to Congress that its investigation of the previous fall showed no need to allocate a fixed percentage of radio facilities to educational and other non-profit public service groups, nor to change the existing law in any way. Mr. Prall became a Commissioner in January, succeeding Hampson Gray, who, after Paul D. P. Spearman, FCC general counsel, retired to enter private law practice, was appointed to that post. In March Mr. Prall was made chairman of the Commission, succeeding E. O. Sykes, who became chairman of the Broadcast Division, with Norman Case and Mr. Prall as the other members.

Prall Warns Stations To Follow FCC Rules

Chairman Prall waited to settle into his new seat at the head of the Commission table before sounding his first war cry, warning stations that a New Deal had come to radio and they had better obey FCC rules to the letter.

At a meeting in March with officials of the Women's National Radio Committee, which claimed to speak for most of the women's organizations of the nation, and representatives of the networks and the NAB, Chairman Prall provided the industry with a positive standard for proper programming. The "composite American home," he said, was the standard for broadcasters constantly to keep in mind, gauging the merit of each program by visualizing its reception by a typical family group.

NBC promptly reannounced its decision of December 1933 to decline all future advertising of laxatives, deodorants and the like whose advertising might be distasteful when listened to in a family living room. CBS also banned such advertising for new advertisers and for present contracts at their expiration and in addition set limits on the amount of time devoted to advertising on any program at 10% in the evening, 15% in the daytime. To enforce these rules, CBS hired Gil-

Mr. Gray

son Gray from D'Arcy Co. as commercial editor. Taking another step toward program improvement, CBS retained a child psychologist, Dr. Arthur T. Jersild of Teachers College, Columbia U., as consultant on children's programs.

Many stations took similar action to tighten their individual program and commercial practices, so that in addressing the NAB convention in July Mr. Prall could report a wholesome cleaning up in the five months of his FCC Chairmanship. At that time he praised as a fine idea BROADCASTING's editorial suggestion for an industry advisor to guide broadcasters, advertisers and agencies on the suitability of radio programs and commercials.

To discuss ways of improving and extending cultural programming, the FCC Broadcast Division invited broadcasters, educators, clerics and other cultural leaders to a two day conference in Washington, May 15-16, at which a decision was reached to set up a joint committee on cultural broadcasting headed by Dr. John W. Studebaker, Federal Commissioner of Education. After numerous conferences, Dr. Studebaker in December announced the completion of the committee, comprising 40 representatives of broadcasting, education, religion, welfare and other groups.

Dr. Studebaker

In May, when 21 stations were cited for hearings because they had broadcast commercials for Marmola, the Commission presented broadcasters with a yardstick for measuring medical advertising. Medical commercials were declared acceptable if they did not misrepresent or deceive and if the commercial continuities were not offensive or in bad taste, always taking into account the family circle as the listening group.

NAB Convention Adopts New Code

The NAB convention adopted a new code, replacing the one drafted in 1929. It called on broadcasters to guard radio against misuse by dishonest or dangerous individuals or organizations, to keep the air free of material offensive to persons of any creed or belief, to bar obscenity and deceptive or exaggerated claims and advertising of products or services injurious to health, to refuse all per inquiry, contingent or percentage advertising to keep a published record of rates and discounts, and not to defame competitors or to make false claims about their own facilities or services.

Busy preparing its defense against the government's anti-trust suit and in attempting to prevent the enactment of restrictive copyright legislation urged by the broadcasters, ASCAP in the spring of 1935 proposed an extension of its current licenses from their scheduled expiration of Aug. 31 until the end of the year, following this offer with one of five-year licenses, running through 1940, on practically the same terms—5% of gross income plus a sustaining fee.

NBC and CBS and WCAU Philadelphia accepted these new five-year licenses, the networks also agreeing to a boost of $25,000 apiece in sustaining fees, but the NAB copyright committee refused to endorse the deal. General Manager Phil Loucks and Joseph C. Hostetler, who had taken over Newton Baker's duties as NAB copyright counsel, felt that general acceptance of a new ASCAP license might prejudice the government suit. The newspaper-owned stations who had enjoyed a preferential deal, paying the 5% fee only on programs actually using ASCAP music, began dickering for the same terms for the next five years. The suit against ASCAP came to trial June 11, but on June 20 it was recessed until November and subsequently until some future date.

Resolution Endorses Per-Piece Policy

After hearing from Mr. Hostetler that the industry should continue to fight for the right to buy music on a per piece or per program formula by which the broadcasters would pay only for music actually used, and from Isaac Levy, WCAU, that the only feasible plan was a blanket license of the kind just accepted by his station, the NAB convention gave votes of confidence to both sides, re-elected Mr. Levy as treasurer, and adopted a resolution endorsing the per-piece principle but leaving it up to the decision of each station operator as to whether he should or should not renew his present ASCAP license for another five years. The convention also resolved to support the government suit for the dissolution of ASCAP and to work for legislation removing the statutory minimum penalty of $250 for each infringement.

Just about this time the situation was complicated by Warner Brothers' announcement that it was withdrawing its five music publishing companies from ASCAP membership at the end of the year. The Warner houses were said to own about a third of the popular music used on the air and were

(Continued on page 92)

Congratulations
to
Broadcasting
Magazine
for
twenty
years
of
outstanding
service
to the
radio
industry

KSL
CBS 50,000 WATTS

KSL-TV
CBS, ABC, DUMONT

SALT LAKE CITY, UTAH

Represented by Radio Sales